BLD PLANTATION BHD.

[Registration No.: 200101026441 (562199-A)]

ANNUAL REPORT 2021

OUR VISION

TO BE A SUCCESSFUL, INNOVATIVE AND RESPONSIBLE CORPORATION, HAVING A LEADING ROLE IN THE AGRICULTURAL INDUSTRY PRODUCING QUALITY PRODUCTS AND SERVICES.

OUR MISSION

TO SUSTAIN GROWTH THROUGH EFFICIENT SERVICES AND PRUDENT COST COMPETITIVE APPLICATION OF RESOURCES EXCEEDING THE EXPECTATION OF OUR CUSTOMERS AND SHAREHOLDERS.

CONTENTS

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's vision is to be a successful, innovative and responsible corporation, having a leading role in the agricultural industry producing quality products and services. The Group consistently strives to sustain growth through efficient services and prudent cost competitive application of resources exceeding the expectation of our customers and shareholders.

Adopting good agricultural practices and enhancing operational excellence are fundamental strategies of the Group to achieve high profitability and create values for our shareholders and also stakeholders. The Group is constantly mindful of the importance in optimising resources, competencies and skills to accelerate stable growth and gain competitive edge in the global market.

FINANCIAL PERFORMANCE

The Group recorded a revenue and profit before tax of about RM1.89 billion and RM89 million respectively for the financial year under review, which was mainly due to higher average selling price of products.

Based on the weighted average number of ordinary shares during the year, the Group recorded net assets per share of RM6.77 per share as compared to RM6.06 in 2020 while earnings per share of 69.82 sen against 5.40 sen in year 2020.

OPERATION REVIEW

The matured areas of approximately 28,140 hectares accounts for about 70% of the Group's total planted area. Under the year of review, replanting activities have been carried out for about 810 Ha for matured areas with palm age above 26 years old at Sawai Land District, Sarawak, Malaysia.

The Group produced about 112,200 metric tonnes of crude palm oil as compared to about 121,400 metric tonnes in 2020. The palm oil mills located at Miri and Sibu both have a processing capacity of 60 metric tonnes of fresh fruit bunch per hour. The two palm oil mills of the Group were operating at about their installed capacity during the financial year under review.

The volume of palm oil products sold was about 654,000 metric tonnes as compared to about 870,000 metric tonnes in 2020, which were mainly for export in the financial year under review.

DIVIDEND

The Board of Directors has recommended a first and final single tier dividend of three (3) sen per ordinary share, in respect of the financial year under review which is subject to the shareholders' approval at the Company's forthcoming annual general meeting.

Be assured that your Board remains committed to consistently increase the overall value of our Company for the benefit of its stakeholders by achieving a balance between providing reasonable returns to shareholders whilst conserving funds for new investment opportunities critical to long term growth.

MANAGEMENT DISCUSSION AND ANALYSIS *(CONTD.)*

INDUSTRY TREND AND DEVELOPMENT

Overall, 2020 was a challenging year to the Malaysian oil palm industry due to the global outbreak of COVID-19 pandemic. The year 2020 ended with higher export revenue at RM73.25 billion attributed to the higher average CPO price at RM2,685.50 per tonne and low closing stock at 1.27 million tonnes. Other key industry indicators, however, witnessed lower performance wherein CPO production, yield of fresh fruit bunches (FFB), National oil extraction rate (OER), exports and imports of palm oil as well as palm oil stocks witnessed declines.

The total oil palm planted area was recorded at 5.87 million hectares in 2020, a decrease of 0.6% as against 5.90 million hectares in the previous year. In 2020, CPO production declined by 3.6%, to 19.14 million tonnes as against 19.86 million tonnes recorded in 2019. The decline was due to lower FFB processed, down by 2.2% arising from lower FFB yield which decreased by 2.7% and lower OER performance by 1.4% to 19.92 percent in 2020 as compared to 20.21 percent achieved in 2019.

India again maintained its position as the largest Malaysian palm oil export market in 2020 for the seventh year since 2014, with 2.75 million tonnes or 15.8% of total Malaysian palm oil exports. This was followed by China at 2.73 million tonnes (15.7%) and the EU 1.94 million tonnes (11.1%). The lower exports of palm oil to India by 37.7% to 2.75 million tonnes in 2020 from 4.41 million tonnes in 2019 was attributed to the significant lower uptake of RBD palm olein by the Indian buyers in response to the restriction imposed on imports of processed palm oil since 8th January 2020. Arising from that, exports of RBD palm olein to the country declined tremendously by 2.33 million tonnes (99.7%) to only 7,323 tonnes from 2.34 million tonnes the previous year. Apart from that, higher uptake of soyabean oil by 15.1% to 3.43 million tonnes in January-November 2020 as against the same period in 2019 was another contributing factor for the decline.

In 2020, the prices of all oil palm products were traded higher. CPO price was traded higher by 29.2% or RM606.50 per tonne to RM2,685.50 per tonne as compared to RM2,079.00 per tonne in 2019. Total Malaysian exports of palm oil and other palm-based products in 2020 amounted to 26.73 million tonnes, lower by 4.1% from 27.88 million tonnes exported in 2019.

(Source: Malaysian Palm Oil Board’s website at http://www.mpob.gov.my)

CORPORATE SOCIAL RESPONSIBILITY

The Group is mindful of the importance of contributing to the society in promoting good corporate citizenship in line with our vision. The Group has given donations to charity and the communities over the years. Additionally, the Group provides placements for practical training to eligible local university students.

MANAGEMENT DISCUSSION AND ANALYSIS *(CONTD.)*

PROSPECTS

The average product selling prices rallied to a higher level in the second half of 2020. The strong increase in prices were attributed to slower palm oil production and low stockpiles level. The prospect of palm oil prices may continue the favourable momentum for the remaining year of 2021. However, various phases of Movement Control Order ("MCO") and lockdowns imposed by countries had affected the recruitment of foreign workers that exacerbated the labour shortages issue across the industry. This has resulted in adverse impact on production output and significant crop losses to the industry despite rising CPO prices during the year under review.

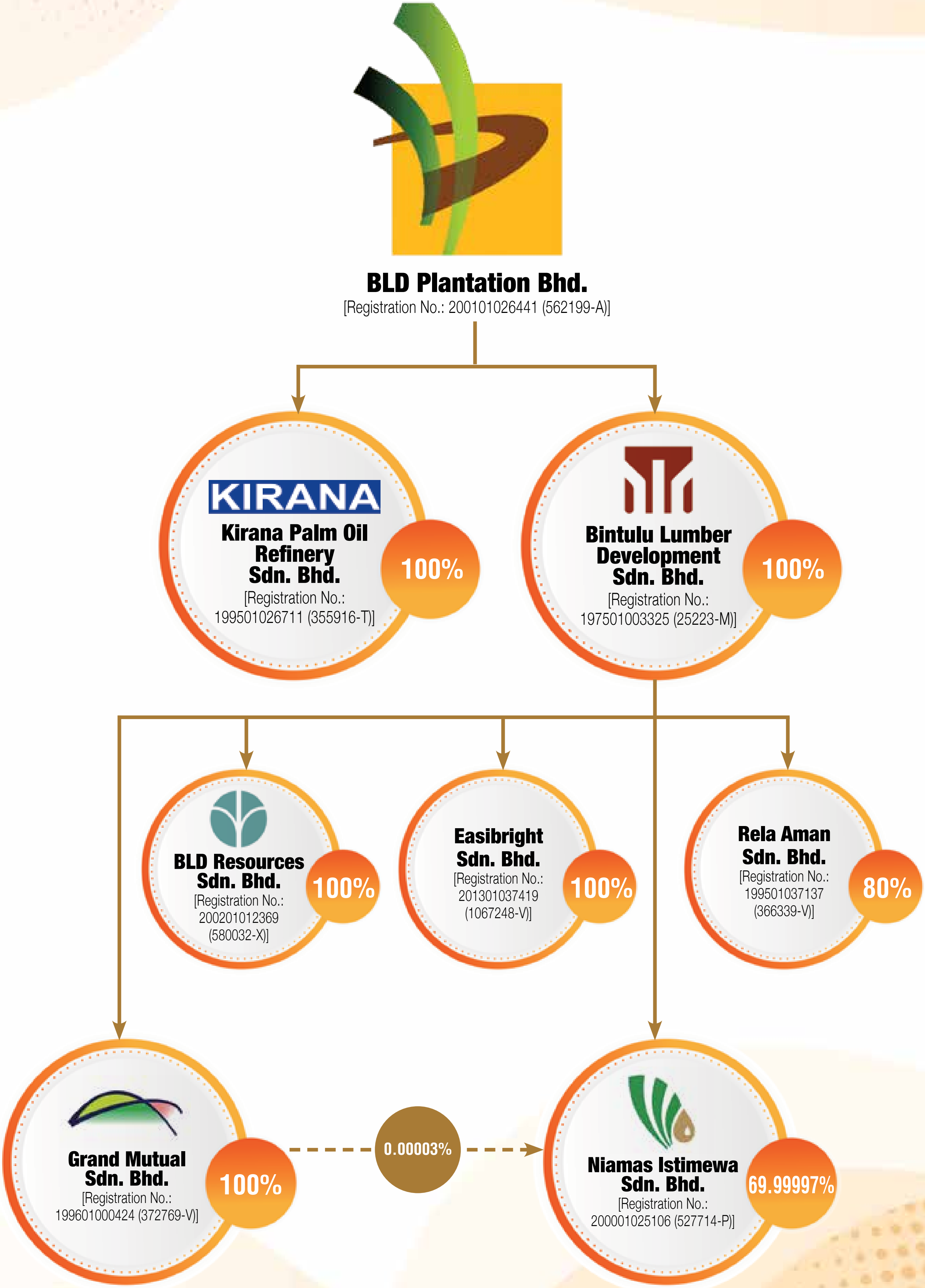
The Group is permitted to operate during the MCO, which is regarded as essential sector but with low density working conditions in accordance with the National Security Council (MKN) directives and standard operating procedures (SOPs) issued by the Sarawak State Government. Nonetheless, the Group has taken the necessary measures in building greater resilience amid the uncertainties in the global economy caused by the widespread of Covid-19 pandemic. The Group anticipates that the outlook of the oil palm industry remains positive given the recovery in demand and tight supply of palm oil that would continue lending support to the CPO prices.

ACKNOWLEDGEMENT

The Board of Directors records our appreciations to the Management team and each individual at all levels in the Group for their commitment and teamwork. We all look forward to the continued success of the Group.

Our heartfelt thanks to all our valued customers, shareholders, business partners, financiers, consultants, government authorities and other stakeholders for their partnership, strong support and continued confidence in the Group.

CORPORATE INFORMATION



CORPORATE INFORMATION *(CONTD.)*

BOARD OF DIRECTORS

Dato Henry Lau Lee Kong
Executive Chairman

Haji Wan Abdillah bin Wan Hamid
Executive Director

Datu Haji Sarudu bin Haji Hoklai
Independent Non-Executive Director

Datuk Haji Hamden bin Haji Ahmad
Independent Non-Executive Director

YB Robert Lau Hui Yew
Non-Executive Director

COMPANY SECRETARY

Alvin Lau Lee Jen
(MIA 13153)
(SSM Practicing Certificate No.: 201908001140)

AUDITORS

PKF (AF0911) Chartered Accountants

PRINCIPAL BANKERS

Affin Bank Berhad

AmBank (M) Berhad

Bank of China (Malaysia) Berhad

Hong Leong Bank Berhad

Malayan Banking Berhad

RHB Bank Berhad

United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
- Main Market

STOCK CODE

5069

STOCK NAME

BLDPLNT

REGISTERED OFFICE

Level 6, Crown Towers
88, Jalan Pending
93450 Kuching, Sarawak
Malaysia

Tel : +6082 – 335 311
Fax : +6082 – 348 311

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Tel: +603 – 7890 4700
Fax: +603 – 7890 4670

DIRECTORS' PROFILE

DATO HENRY LAU LEE KONG

Executive Chairman

(69, Male, Malaysian)

Dato Henry Lau Lee Kong was first appointed to the Board on 2 May 2003 as Executive Director. He assumed the position of Executive Chairman since 15 March 2006.

A graduate with Bachelor of Engineering from the University of Adelaide, Australia, he is also a member of the Association of Professional Engineers, Scientists and Managers Australia.

Dato Henry Lau is primarily responsible for overseeing the overall Management of the Group and the formulation and implementation of the Group's business strategies, policies, directions and development of future expansion plans.

He is an entrepreneur with vast experience in the plantation, timber and property development industries. Currently, he is the Managing Director of KTS Group of Companies apart from sitting on the boards of several other companies. He was conferred the Panglima Setia Bintang Sarawak (PSBS) on 11 September 2004 by Tuan Yang Terutama Yang Di-Pertua Negeri Sarawak Tun Datuk Patinggi Abang Haji Muhammad Salahuddin.

He is a major shareholder of BLD Plantation Bhd. ("the Company"). He is the brother to Temenggong Dato Lau Lee Ming and Lau Lee Kiong, both are major shareholders of the Company.

He is the Chairman of the Risk Management Committee and the Remuneration Committee of the Company.

HAJI WAN ABDILLAH BIN WAN HAMID

Executive Director

(67, Male, Malaysian)

Haji Wan Abdillah bin Wan Hamid is an Executive Director of the Company since 2 May 2003. He attended a Diploma in Accountancy at Mara Institute of Technology (UiTM) in Year 1973. He is a member of the Institute of Approved Company Secretaries (IACS).

Prior to joining the Company, he was a Government Officer for about 19 years. He is actively involved in formulating corporate policies and responsible to oversee the daily operations of the Group. He holds directorship in several public limited companies.

He is a major shareholder of the Company. He has no family relationship with any Director of the Company. He is the brother to Haji Wan Mohd. Shebli bin Wan Hamid, a major shareholder of the Company.

He is a member of the Risk Management Committee of the Company.

DATU HAJI SARUDU BIN HAJI HOKLAI

Independent Non-Executive Director

(66, Male, Malaysian)

Datu Haji Sarudu bin Haji Hoklai was appointed as an Independent Non-Executive Director of the Company on 27 February 2019.

He holds a Bachelor of Arts (Hons) in Social Science and Humanities from Universiti Kebangsaan Malaysia and a Corporate Master of Business Administration (CMBA) from the University of Ohio, US.

Datu Haji Sarudu served with the government for about 39 years and held several positions including Private Secretary to the Chief Minister of Sarawak, District Officer of Bintulu, Mukah and Belaga, and Resident of Samarahan and Mukah divisions. Prior to his appointment as the Director of Human Resources Management Unit under the Chief Minister's department, he served as the Permanent Secretary of Ministry of Tourism and Urban Development from 2006 to 2007. In 2009, he was awarded with Darjah Jasa Bakti Sarawak (DJBS) for his exemplary services to the State of Sarawak. Subsequently, he served as the General Manager of Sarawak Timber Industry Development Corporation from January 2010 to April 2018.

He has no family relationship with any Director and major shareholder of the Company.

He is the Chairman of the Audit Committee and Nominating Committee of the Company. He is also a member of the Remuneration Committee of the Company.

DIRECTORS' PROFILE *(CONTD.)*

DATUK HAJI HAMDEN BIN HAJI AHMAD
Independent Non-Executive Director
(73, Male, Malaysian)

Datuk Haji Hamden bin Haji Ahmad was appointed as an Independent Non-Executive Director of the Company on 4 February 2004. He resigned on 3 July 2007 from the Company and was re-appointed as an Independent Non-Executive Director on 3 September 2007. He is a Chartered Accountant by profession and is a member of Malaysian Institute of Accountants (MIA), and a Fellow of the Association of Chartered Certified Accountants (FCCA).

Starting his career with Sarawak Land Development Board as Chief Accountant from Year 1978 to Year 1982, he set up his own accounting firm in Year 1983. Datuk Haji Hamden served as an Assistant Minister in the Sarawak Cabinet from Year 2004 to Year 2009. He was conferred the Panglima Gemilang Bintang Kenyalang (PGBK) on 24 October 2009 by Tuan Yang Terutama Yang Di-Pertua Negeri Sarawak Tun Datuk Patinggi Abang Haji Muhammad Salahuddin.

He has no family relationship with any Director and major shareholder of the Company.

He is a member of the Audit Committee and the Nominating Committee of the Company.

YANG BERHORMAT ROBERT LAU HUI YEW
Non-Executive Director
(56, Male, Malaysian)

Yang Berhormat Robert Lau Hui Yew was appointed as Non-Executive Director of the Company on 9 June 2003.

A lawyer by profession, he is a Barrister-at-Law and holds a Bachelor of Law (LLB) from the University of Hull, United Kingdom.

From Year 1991 to Year 1992, he was an advocate with a local law firm in Sibu. He subsequently became a partner of Messrs Stephen, Robert & Wong Advocates in Year 1993 and is currently holding the position as a senior partner of the firm. YB Robert Lau is an active social worker. He holds directorship in several public limited companies.

He was appointed as a Senator on 22 June 2020.

He is a major shareholder of the Company. He has no family relationship with any Director of the Company. He is the son of Lau Swee Nguong @ Lau Sui Guang, a major shareholder of the Company.

He is a member of the Audit Committee, the Nominating Committee and the Remuneration Committee of the Company.

Note: None of the Directors have any conflict of interest with the Company nor committed any conviction for any offence (other than traffic offence, if any) within the past five (5) years.

KEY SENIOR MANAGEMENT'S PROFILE

HAJI WAN ABDILLAH BIN WAN HAMID
Executive Director
(67, Male, Malaysian)

Please refer to the Directors' Profile.

SENG CHEAK CHAI
Financial Controller
(63, Male, Malaysian)

Mr. Seng Cheak Chai was appointed as the Financial Controller of the Group on 1 July 2004. He is a Chartered Accountant registered with Malaysia Institute of Accountants. He was the accountant of the Group for 12 years before assuming his current position.

DR. WILSON HII WEI SENG
Operations Manager (Refinery)
(46, Male, Malaysian)

Dr. Wilson Hii joined the Group in 2012 as Operations Manager in the Group's refinery division. He holds a Bachelor of Science in Mechanical Engineering in 1998, a Master of Science in Mechanical Engineering (Energy Thermo Fluid) in 2002 and a Doctor of Philosophy in Mechanical Engineering (Energy Thermo Fluid) from Michigan Technological University, U.S. in 2005.

Note: Save as disclosed, none of the above Key Senior Management have any directorship in public companies and listed issuers, any family relationship with any director and/ or major shareholder of the Company, any conflict of interests with the Company nor have been convicted of any offence (other than traffic offence, if any) within the past five (5) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Corporate Governance Overview Statement serves to provide a summary of the Group's corporate governance practices with reference to the three (3) Principles as outlined in the Malaysian Code on Corporate Governance ("the Code" or "MCCG"). The Board ensures that good corporate governance is observed, aligning with its ultimate objective of long-term value creation for its stakeholders. The Board would put forth its best effort in ensuring adoption of the said principles and corporate governance practices are implemented in substance to achieve the intended outcome and building strong corporate governance culture within the Group in accordance with the Guidance of MCCG.

A. Board Leadership and Effectiveness

Board Responsibilities

The Board has a sound framework in place which clearly defines functions reserved for the Board and those delegated to the Management. The Board reviews and approves management's proposal on strategic plan developments. The management is responsible to govern the day-to-day activities of the Group and reports to the Board in a timely manner.

The function of the Board is to exercise oversight of the management as well as to review, adopt and monitor the overall strategic plans of the Group, while protecting the interests of the Group and creating values for its stakeholders.

The Board has delegated specific responsibilities to the following Board Committees:

1) Audit Committee
2) Nominating Committee
3) Remuneration Committee

In line with good governance practices, the Board has formalised the Group's Anti-Bribery and Corruption Policy and Whistleblowing Policy to enhance transparency and accountability. The Board Charter, terms of reference of the Board Committees, and the corporate governance policies are accessible through the Group's corporate website, www.bldpb.com.my.

The Directors demonstrated strong commitment with allocation of sufficient time and reasonable effort in performing their duties effectively. During the financial year under review, the Board held five (5) meetings and the attendance of each Director is as follows:-

Directors	No. of Meetings Attended
Dato Henry Lau Lee Kong	5
Haji Wan Abdillah bin Wan Hamid	5
Datu Haji Sarudu bin Haji Hoklai	5
Datuk Haji Hamden bin Haji Ahmad	5
YB Robert Lau Hui Yew	5

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(CONTD.)*

The Nominating Committee was formed on 10 May 2013 and currently comprises the following members:-

Name	Position	Directorship
Datu Haji Sarudu bin Haji Hoklai	Chairman	Independent Non-Executive Director
Datuk Haji Hamden bin Haji Ahmad	Member	Independent Non-Executive Director
YB Robert Lau Hui Yew	Member	Non-Executive Director

The assessment undertaken by the Nominating Committee before making recommendations to the Board is based on general consensus of the committee members upon considering various criteria having regard to the required mix of skills, knowledge, expertise, experience, professionalism, integrity and other qualities including core competencies expected from the Directors.

The Board emphasises that the suitability of board candidates is dependent on each individual's competency and such other criteria used for assessment of individual board candidate, irrespective of gender.

Summary of Activities of the Nominating Committee

During the financial year under review, the Nominating Committee carried out the following activities:-

(a) performed assessment of directors, upon the directors' re-admission to the Board and review the individual director's time commitment and ability to fulfil their responsibilities;

(b) reviewed the required mix of skills, knowledge, expertise, experience, professionalism, integrity and other qualities including core competencies which Non-Executive Directors should bring to the Board; and

(c) assessed the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual director, including Independent Non-Executive Directors.

Board Composition

The Board is structured by a well-balanced composition made up from a total of five (5) Directors: two (2) Executive Directors, two (2) Independent Non-Executive Directors and one (1) Non-Executive Director. The profiles of the respective Directors are presented on pages 7 to 8 of this Annual Report.

The Directors of the Company are persons of high calibre and professionals in their own right with diverse backgrounds, skills, expertise and experience in various fields such as law, public service, accounting and financial as well as those with long extensive experience in the industry which the Company is involved in which enable them to bring insightful depth, maturity and diversity to the leadership and management of the business.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(CONTD.)*

The Board strongly believes that continuous training is important to aid in the discharge of their fiduciary duties. As such, the Directors are encouraged to attend training programmes and seminars to broaden their perspectives and to keep them abreast with regulatory and corporate governance developments. For the financial year under review, all the Directors have, collectively or individually, attended the following training programmes / conferences / workshops:-

- Meetings and Passing of Written Resolutions under Companies Act 2016
- Violations of the Companies Act 2016: Oversights by Directors and Secretaries
- Corporate Directors Training Programme Fundamental 3.0
- Cybersecurity A Boardroom Agenda
- Webinar Series: Complying with the Guideline for the Reporting Framework for Beneficial Ownership of Legal Persons
- MBRS for Preparers – Financial Statements
- Read, Interpret and Analyse Financial Statement for Company Directors and Company Secretaries
- Guidelines for Reporting Framework for Beneficial Ownership of Legal Person in Malaysia

In ensuring a balanced board composition, the Board has undertaken annual assessment on the Board's effectiveness by reviewing the performance of individual Directors taking into account the commitment in performing their duties. The Nominating Committee reviewed the diversity of the Board to ensure it can provide desired mix of skills, knowledge, expertise, experience, professionalism, integrity and other qualities including core competencies expected from the Directors.

The Board reviews and assesses the independence of the Board periodically. The Board recommends the retention of Datuk Haji Hamden bin Haji Ahmad as Independent Non-Executive Director which is to be tabled for shareholders' approval at the forthcoming Annual General Meeting. Notwithstanding the long tenure in office, the Board assures that the Independent Director has exercised independence and objective judgement in decision making, as such his independence is not impaired in any way.

Pursuant to Practice 4.2 of the MCCG, the Board has noted the following considerations during the review and assessment of his independence:-

- Datuk Haji Hamden bin Haji Ahmad fulfils the criteria and definition of an Independent Director as set out under Paragraph 1.01 of the Main Market Listing Requirements;

- During his tenure of office, Datuk Haji Hamden bin Haji Ahmad has not developed, established or maintained any significant relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of the Group other than the normal engagements and interactions in his professional capacity;

- During his tenure in office, Datuk Haji Hamden bin Haji Ahmad has not engaged in any transactions with nor provided any goods and services to the Company and its subsidiaries, within the scope and meaning as set forth under Paragraph 5 of the Practice Note 13 of the Main Market Listing Requirements;

- During his tenure in office as Independent Non-Executive Director of the Company, Datuk Haji Hamden bin Haji Ahmad receives only Director's remuneration paid within the industry norm and the acceptable market rates.

In view of the above, the Board strongly recommends the retention of the Independent Director to continue in office which is to be tabled as an Ordinary Resolution for shareholders' approval at the Annual General Meeting.

Remuneration

The Remuneration Committee was established on 11 December 2003 and currently comprises the following members:-

Name	Position	Directorship
Dato Henry Lau Lee Kong	Chairman	Executive Chairman
Datu Haji Sarudu bin Haji Hoklai	Member	Independent Non-Executive Director
YB Robert Lau Hui Yew	Member	Non-Executive Director

The duties of the Remuneration Committee are as follows:-

(a) To review and recommend to the Board the remuneration of the Executive and Non-Executive Directors;

(b) To assist the Board in ensuring that the remuneration of the Board reflects the Board's responsibilities, expertise and complexity of the Company's activities.

The Board as a whole determines the remuneration of all the Directors, and each Director concerned abstains from the Board's decisions in respect of his own remuneration. The Directors' fees are to be approved by shareholders at Annual General Meeting based on the Board's recommendations.

Well-structured directors' remuneration package that links clearly to strategic objectives of the Group can contribute to long-term growth of the business. Remuneration decisions are made through a transparent and independent process that aims to attract and retain the right talent in the Board and senior management. Stakeholders are able to make assessment on their remuneration, which is commensurate with individual performance and responsibilities in addition to appropriately reflecting the Company's strategies and performance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(CONTD.)*

The remuneration of Directors for the financial year ended 31 March 2021 are as follows :-

Group/ Company

Remuneration Range	Number of directors
Below RM50,000	5
RM100,001 to RM150,000	5
RM150,001 to RM200,000	2
RM200,001 to RM250,000	1
RM250,001 to RM300,000	1
RM300,001 to RM350,000	1
RM450,001 to RM500,000	1
RM1,950,001 to RM2,000,000	1
Total	17

The remuneration of the top five (5) senior management for the financial year ended 31 March 2021 are as follows :-

Group/ Company

Remuneration Range	Number of persons
RM150,001 to RM200,000	1
RM200,001 to RM250,000	2
RM250,001 to RM300,000	1
RM300,001 to RM350,000	1
Total	5

B. Effective Audit and Risk Management

Audit Committee

The Chairman of Audit Committee is an Independent Director whose roles and duties are distinct from the Board Chairman. The Audit Committee is responsible in overseeing internal audit function, integrity in reporting and regulatory compliance. The members of Audit Committee are financially literate and equipped with appropriate level of knowledge, skills and experience in related fields. The Audit Committee provides reasonable assurance and accountability to the Board and shareholders by ensuring the financial information is accurate and reliable.

Further information on the Audit Committee is available in the Audit Committee Report as set out on pages 17 to 21 of this Annual Report.

Risk Management and Internal Control Framework

Effective risk oversight and management of risk is fundamental to effective corporate governance. It is the responsibility of the Board in ensuring the Group's risk management and internal control systems are operating effectively. The Board has periodic discussions on identifying, assessing, monitoring and mitigating risks which can impact management's processes and functions. The Board recognises the importance of aligning risks with strategic objectives of the business as sound internal control function helps counter threats and takes advantage of the opportunities to create values. Informed decisions are made based on an acceptable risk level in the implementation of necessary controls to integrate effective governance structures and processes across all operations.

To further strengthen the effectiveness of governance, risk management and internal control framework, the Audit Committee places strong emphasis in ensuring that the personnel responsible for internal audit have the necessary competency, experience and resources with sufficient authority to discharge their functions effectively. The internal audit function reports directly to the Audit Committee, hence the Audit Committee is expected to provide reasonable assurance on the objectivity and independence of internal auditors when performing their duties.

The Statement on Risk Management and Internal Control providing the overview of the internal audit function within the Group is set out on pages 22 to 24 of this Annual Report.

C. Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Communication with Stakeholders

Effective, transparent and regular engagement with stakeholders is essential in balancing between meeting stakeholders' expectations and pursuing of Group's strategic objectives given the increased scrutiny of stakeholders regarding governance. Information which is made available to stakeholders in a timely manner can foster greater transparency, integrity and accountability in promoting proper governance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(CONTD.)*

The Board promotes effective communication and proactive engagements with its stakeholders through timely release of the Company's annual report, quarterly financial results, corporate proposals and other required announcements. Announcements made through Bursa LINK are available at the Company's website at www.bldpb.com.my and Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com.

Conduct of General Meetings

Notice to shareholders is served at least 28 days prior to the general meetings. This allows shareholders to have sufficient time to make informed decisions in exercising their voting rights. Shareholders are encouraged to participate and raise relevant questions on the agenda of the general meetings. All directors shall be present at the general meetings and take the opportunity to engage with shareholders by providing meaningful response to questions addressed by the shareholders.

Further information on the Group's corporate governance and how the Group implements the practices pursuant to the MCCG is available in the Corporate Governance Report which is published on the Group's corporate website, www.bldpb.com.my.

AUDIT COMMITTEE REPORT

The Audit Committee was constituted on 13 June 2003 and currently comprises the following members :-

Name	Position	Directorship
Datu Haji Sarudu bin Haji Hoklai	Chairman	Independent Non-Executive Director
Datuk Haji Hamden bin Haji Ahmad*	Member	Independent Non-Executive Director
YB Robert Lau Hui Yew	Member	Non-Executive Director

* Datuk Haji Hamden bin Haji Ahmad is a member of the Malaysian Institute of Accountants.

ATTENDANCE OF MEETING

For the financial year under review, five (5) meetings were held and the attendance of each member is as follows :-

Directors	No. of Meetings Attended
Datu Haji Sarudu bin Haji Hoklai	5
Datuk Haji Hamden bin Haji Ahmad	5
YB Robert Lau Hui Yew	5

TERMS OF REFERENCE

1. Objective

The Audit Committee ("Committee") will give assurance to the Company's shareholders that compliance with specified financial standards and disclosure policies developed and administered by Bursa Malaysia Securities Berhad ("Bursa Securities") are being adhered to. In addition, the Committee will assure that certain standard of corporate responsibility, integrity, and accountability to the Company's shareholders are being inculcated in the duties and responsibilities of the Board of Directors of the Company.

2. Composition

2.1 The Committee shall be appointed by the Board of Directors ("Board") from amongst its members and shall consist of not less than three (3) members, all of whom must be non-executive directors, with a majority of them being independent directors.

2.2 At least one (1) member of the Committee :-

(i) must be a member of the Malaysian Institute of Accountants (MIA); or
(ii) if he is not a member of the MIA, he must have at least three (3) years' working experience and :

(a) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or

AUDIT COMMITTEE REPORT *(CONTD.)*

(b) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or

(iii) fulfils such other requirements as prescribed or approved by Bursa Securities.

2.3 No alternate director shall be appointed as a member of the Committee.

2.4 The Chairman of the Committee shall be an independent director elected by the members of the Committee.

2.5 The Board, shall within three (3) months of vacancy in the Committee resulting in reduction of the number of members to below three (3), appoint such number of new member(s) as may be required to make up the minimum number of three members.

3. Meetings

3.1 The Committee shall meet as and when need arises provided that it shall meet at least four (4) times a year.

3.2 The Chairman of the Committee shall also convene a meeting of the Committee if requested to do so by any members of the Committee, the Management, the person(s) carrying out the internal audit function or activity or external auditors to consider any matter within the scope and duties of the Committee.

3.3 A quorum shall be two (2) members and a majority of members present must be independent directors.

3.4 Other Directors and employees attend any particular Committee meeting only at the Committee's invitation, specific to the relevant meeting.

3.5 The Committee shall meet with the external auditors, the person(s) carrying out the internal audit function or activity or both, without the presence of other Directors and employees of the Company, whenever deemed necessary.

3.6 The Company Secretary shall be the secretary of the Committee.

3.7 Minutes of each meeting shall be kept and distributed to each member of the Committee.

4. Authority

The Committee is authorised by the Board and at the cost of the Company to :-

(a) investigate any matter within its terms of reference;

(b) have the resources which are required to perform its duties;

(c) have full and unrestricted access to any information pertaining to the Company;

(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;

(e) obtain independent professional or other advice, and to secure the attendance of external advisers with relevant experience and expertise; if deemed necessary;

(f) convene meetings with the external auditors, the person(s) carrying out the internal audit function or activity or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

5. Functions and Duties

The functions and duties of the Committee shall be as follows and the same are to be reported to the Board :-

(a) To review with the external auditors the audit plan, the audit report, major findings and management's response thereof;

(b) To review with the person(s) carrying out the internal audit function or activity the audit plan, the audit report, major findings and management's response thereof;

(c) To review the assistance given by the Group's employees to the external auditors and person(s) carrying out the internal audit function or activity;

(d) To review the effectiveness of internal control systems;

(e) To review the adequacy of the scope, functions, competency and resources of the internal audit functions, and that it has the necessary authority to carry out its work;

(f) To evaluate the performance of the external auditors and person(s) carrying out the internal audit function or activity;

(g) To recommend the appointment/re-appointment, resignation and dismissal of the external auditors and person(s) carrying out the internal audit function or activity;

(h) To review the quarterly and annual financial statements of the Company and the Group for recommendation to the Board for approval, focusing particularly on :-
   (i) changes in or implementation of major accounting policies changes
   (ii) significant and unusual events
   (iii) compliance with accounting standards and other legal requirements
   (iv) the going concern assumption

(i) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

(j) To review the Statement on Risk Management and Internal Control prior to approval by the Board;

(k) To consider other topics as defined by the Board.

AUDIT COMMITTEE REPORT *(CONTD.)*

6. Reporting

6.1 The Committee shall report to the Board from time to time its recommendations for consideration and implementation by the Board, and the actual decision shall be the responsibility of the Board thereafter.

6.2 Where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Securities, the Committee must promptly report such matter to Bursa Securities.

7. Review of the Committee

The term of office and performance of the Committee and each of its members shall be reviewed by the Nominating Committee annually to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE

During the financial year under review, the Audit Committee carried out the following activities :-

(a) reviewed the audited financial statements prior to submission to the Board for approval.

(b) reviewed the quarterly unaudited financial results before recommending the same for approval by the Board.

(c) reviewed the audit plans, audit report, major findings and management's response thereof.

(d) independent meeting with the person(s) carrying out the internal audit function or activity and external auditors without the presence of other Directors and employees except the Company Secretary.

(e) evaluated the effectiveness of the external auditors and recommend to the Board on their appointment and remuneration.

(f) reviewed the adequacy of the scope, functions, competency and resources of the internal audit functions, and that it has the necessary authority to carry out its work.

(g) reviewed the related party transactions entered into by the Company and its subsidiaries.

(h) reviewed the effectiveness of internal control systems.

(i) reviewed the assistance given by the Group's employees to the person(s) carrying out the internal audit function or activity and external auditors.

(j) reviewed the Audit Committee Report and Statement on Risk Management and Internal Control for annual report disclosure prior to approval by the Board.

(k) familiarisation tour by the committee members to the estates and palm oil mills of the Group.

INTERNAL AUDIT FUNCTION

During the financial year under review, the Group's internal audit function was undertaken by an external party, the in-house internal audit unit and risk management unit. The audit function covered risk based audits and reviews. The cost incurred for the internal audit function of the Group in respect of the financial year ended 31 March 2021 was about RM499,000.

SUMMARY OF ACTIVITIES OF INTERNAL AUDIT FUNCTION

During the financial year under review, the internal audit activities covered the following areas :-

(a) Develop a risk based internal audit plan.

(b) Evaluate the adequacy and effectiveness of the internal control systems for the high and moderate risk areas associated with the major processes.

(c) Identify areas for improvement in process efficiency and to recommend measures for improvement thereon.

(d) Evaluate the status of implementation of the agreed action plans for previously highlighted audit findings associated with the major processes.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

BOARD RESPONSIBILITY

The Board acknowledges effective governance, risk management and internal control processes form the principal foundation for the success and sustainability of a company. The Board is responsible for the Group's system of risk management and internal controls which includes the establishment of an appropriate control environment and review of its adequacy and effectiveness.

The system of risk management and internal control of the Group is designed and structured through a combination of preventive, detective and corrective measures which provide reasonable assurance but not absolute against material misstatements or loss.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Risk Management Committee comprising representatives from the Board and the Management was established to assist the Board in overseeing the principal areas of risk of the Group.

The Board has carried out an ongoing process of identifying, evaluating and monitoring the significant risks faced by the Group in its achievement of objectives and strategies.

The principal risks are identified as follows:

Covid-19 Pandemic Risk

The unprecedented global outbreak of Covid-19 pandemic has severely disrupted the economic activities that resulted in a global economic slowdown. While palm oil industry is allowed to operate during the MCO periods, the Group ensures that necessary measures and procedures are put in place by adhering to the National Security Council (MKN) directives and standard operating procedures (SOPs) issued by the Sarawak State Government. The Group monitors and continues to observe the situation closely by assessing risk areas to prevent any disruptions to its operations. In addition, the Group has taken the initiative in supporting the Covid-19 vaccination programme that helps to expedite the vaccination of its employees.

Financial Risks

The Group is exposed to various financial risks, namely interest rate risk, credit risk, liquidity risk and foreign currency risk. The Group has its financial management objectives and policies in place to monitor and manage these financial risks as set out in Note 29 to the Financial Statements on pages 124 to 126.

Operational Risks

Owing to the labour intensive nature of the plantation industry, labour shortage remains as one of the major challenges faced by the agriculture sector. To reduce over-dependence on foreign workers, the Group has implemented mechanization as an alternative in improving efficiency and productivity whilst maintaining cost of production. In addition, the Group has been introducing schemes to encourage new employees to join the workforce and retain skilled workers in long term.

Adverse weather conditions will affect the crop production of the Group and may cause disruption to its plantation operations. As an effort to mitigate such risk, the Group ensures good water management systems are in place and good agriculture practices are implemented in order to enhance production yields.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTD.)

Commodity Price Risks

Fluctuation in commodity prices that is associated with changes in world demand and supply for edible oils has a substantial impact on the Group's profitability. The Group keeps itself abreast with the latest developments in the palm oil industry and the changes in political, economic and regulatory conditions. The Group has taken measures to minimise the risk arising from the price volatility of palm oil products particularly the prices of fresh fruit bunches (FFB), Crude Palm Oil (CPO) and Palm Kernel (PK) through regular monitoring of the edible oils market.

Compliance Risks

The Group ensures compliance of MSPO standards, labour law and other applicable regulations in meeting requirements and expectations of our stakeholders. With the constant rising of industry standards, the Group focuses on integration of the sustainability practices in its business strategy to support stable growth and development of the Group.

Sustainability Risks

Sustainability has become an integral aspect of the operations in oil palm plantation, palm oil mills and refinery. The Group has a sustainability governance structure in place, which the Sustainability Management Committee's function is to oversee the Group's sustainability commitments in managing its social, environmental and economic risks. The Group's sustainability efforts are highlighted in the Sustainability Statements on pages 25 to 41.

ANTI-BRIBERY AND CORRUPTION

The Group adopts a zero-tolerance approach against all forms of bribery and corruption in respect of the business and affairs of the Group. In line with the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group formalised its commitments to uphold integrity and accountability in all business dealings by putting in place its Anti-Bribery and Corruption Policy and Whistleblowing Policy that were approved by the Board on 28 February 2020. The Group has conducted briefing sessions or trainings to provide awareness among employees in relation to anti-bribery and corruption. These policies are accessible through the Group's website, www.bldpb.com.my.

INTERNAL AUDIT FUNCTION

During the financial year under review, the Group's internal audit function was undertaken by the in-house internal audit unit, risk management unit and an external party. The audit function covered risk based audit and reviews.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(CONTD.)*

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's system of internal controls include:-

- An organisational structure that clearly defines lines of accountability and reporting.

- Regular visits by the Executive Directors to the Group's estates, palm oil mills, refinery and kernel crushing plants to monitor the state of affairs. During the visits, managers of the respective operations report on the progress and performance.

- Budgeting process involves the preparation of budgets by the Group's business units which are then submitted for review and approval by the Board. The actual performance is regularly compared and assessed against the approved budgets and any material variances are investigated.

- Reporting mechanism whereby Executive Directors receive monthly performance and plantation statistics.

- Structured process to which the Board applies in dealing with material internal control aspects of any significant problems disclosed in the annual report and financial statements.

- Clearly documented internal policies and procedures set out in a series of manuals have been implemented. These manuals are regularly reviewed and upgraded from time to time.

Based on the review undertaken on the adequacy and effectiveness of the risk management and internal control of the Group for the financial year under review, the Board is of the view that the existing risk management and internal control system in place is adequate and effective in achieving the Group's business objectives.

The Board will continuously review the adequacy and integrity of the Group's system of internal controls from time to time. The Board has received assurance from the Management that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

This statement is made in accordance with the resolution of the Board of Directors dated 11 August 2021.

SUSTAINABILITY STATEMENT

INTRODUCTION

Sustainability is a key driver for the growth of BLD Plantation Bhd. Group of Companies ("BLDP"). Sustainability continues playing an important role in our operations of business. With the adoption of Sustainable Palm Oil Policy in year 2019, BLDP drives towards greater commitments in sustainability by incorporating sustainability practices and activities.

BLDP is committed to ensure that its palm oil is produced in a sustainable manner and BLDP recognizes the significance in addressing sustainability matters. BLDP is constantly mindful of the impacts of its operations to the economy, environment and society. BLDP takes strong interest in balancing sustainability and profitability by creating value while serving public interests without exploiting the environment.

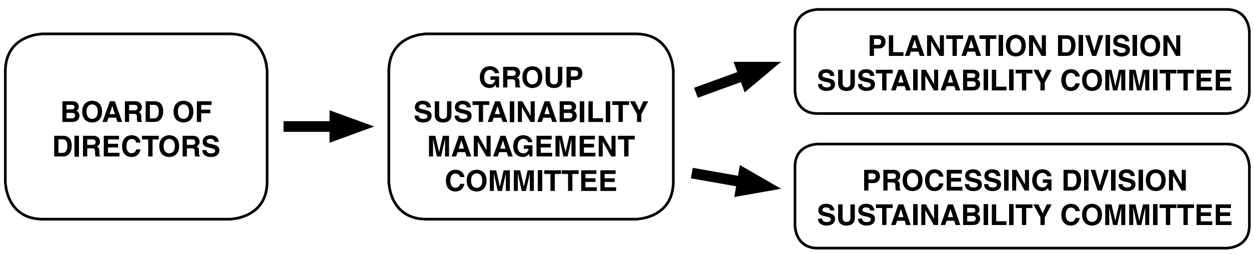
SCOPE

The scope of this Sustainability Statement ("Statement") covers the environmental, social and economic performance across BLDP's oil palm estates, palm oil mills, refinery and kernel crushing plant operations. This Statement is focusing on the activities and issues that are material to BLDP's operations for the financial year ended 31 March 2021.

SUSTAINABILITY HIGHLIGHT FOR THE FINANCIAL YEAR ENDED 31.3.2021

- 100% Plantations, Mills, Refinery and Kernel Crushing Plant with MSPO certified.
- 0% Fatalities
- 100% Compliance with Applicable Laws and Regulations.
- Develop Sustainability Implementation Plan and Sustainability Dashboard.

SUSTAINABILITY GOVERNANCE MANAGEMENT STRUCTURE



The roles of each team in the Sustainability Governance Structure are as follows:

Board of Directors	• Approves and monitors overall strategies, direction of BLDP and agenda for implementation of sustainability strategies. • Assesses the sustainability performance of BLDP's operations.
Group Sustainability Management Committee ("GSMC")	• Evaluates overall sustainability risks and opportunities, and develops the sustainability strategies with agenda for implementation and submits to the Board for approval. • Monitors sustainability implementation to ensure compliance from all departments at operational level. • Resolves critical or major sustainability issues that may impact BLDP. • Periodically reviews the progress of sustainability implementation and reports to the Board. • Reports to the Board of any unresolved critical sustainability issues.

SUSTAINABILITY STATEMENT *(CONTD.)*

Plantation Division Sustainability Committee	• Promotes effective implementation of the sustainability strategies through regular monitoring, reviewing and improving sustainability practices in all plantations. • Ensuring resources and procedures are in place to achieve its sustainability commitments and targets. • Continuously improves the management system to meet Malaysian Sustainable Palm Oil Standard ("MSPO"). • Periodically reports to GSMC on the progress of sustainability implementation in plantation. • Reports to GSMC of any critical or major sustainability issues in plantation.
Processing Division Sustainability Committee	• Promotes effective implementation of the sustainability strategies through regular monitoring, reviewing and improving sustainability practices in mills, refinery and kernel crushing plant. • Ensuring resources and procedures are in place to achieve its sustainability commitments and targets. • Continuously improves the management system to meet MSPO. • Periodically reports to GSMC on the progress of sustainability implementation in mills, refinery and kernel crushing plant. • Reports to GSMC of any critical or major sustainability issues in mills, refinery and kernel crushing plant.

SUSTAINABLE PALM OIL POLICY

BLDP developed and published a comprehensive Sustainable Palm Oil Policy ("SPO Policy") on 1 May 2019. Our SPO Policy consists of four critical areas as follows:

- Environment & Biodiversity –
  No deforestation, no new development on peat and protection of HCV areas;

- Human Rights & Workers' Management –
  Prevention of all forms of forced and bonded labours, ethical recruitment, child protection, respect of diversity, prevention of harassment and violence, occupational health & safety management, human resource management best practices;

- Respect indigenous and local communities' rights;

- Develop complaints and grievance management procedure.

BLDP has developed a sustainability implementation plan towards our commitment in SPO Policy. BLDP has successfully developed a Sustainability Dashboard in Year 2020 as a platform to inform stakeholders on BLDP sustainability movements which is published in www.bldpb.com.my.

SUSTAINABILITY STATEMENT *(CONTD.)*

The infographic below shows briefly our commitment journey recap:

SUSTAINABLE PALM OIL POLICY - BLD PLANTATION BHD. (562199-A)

BLD Plantation Bhd. Group of Companies ("BLDP") is committed to ensure that its palm oil is produced in a sustainable manner, through continuous review and improvement of its operations. BLDP is also committed to the conservation and protection of the natural environment, and of high carbon stock ("HCS") forests and high conservation value ("HCV") areas. BLDP undertakes to respect the rights of its employees and local communities and strives to foster an open and approachable culture with the emphasis of improving the socio-economic conditions of the people of Sarawak.

This Policy is effective immediately, applies to our own operations and extends to all our third-party suppliers and their associated parent companies and subsidiaries.

Beyond the scope of this policy BLDP also adopts the Principles & Criteria ("P&C") set out by the Malaysian Sustainable Palm Oil ("MSPO") Standard and respect all applicable local, national and ratified international laws.

ENVIRONMENT & BIODIVERSITY

- No Deforestation
  - No new development on HCS forests with priority to protect HCS forest.
  - No open burning in all plantation development activities including replanting operations.
  - To monitor and minimize Greenhouse Gas throughout its operations, and to review and implement suitable new technology for progressive reduction.
- No Development on Peat
  - No new development of peatlands regardless of depth.
  - Adoption of best management practices on existing peatland cultivated with oil palm.
  - Explore options for peat restoration where feasible [with appropriate expert support].
- Protection of HCV Areas
  - No new development of HCV areas and protection of biodiversity through identification and conservation of HCVs.

HUMAN RIGHTS & WORKERS' MANAGEMENT

- Prevention of all forms of Forced and Bonded labour
  - Prohibit abusive or forced labour of any workers including temporary and sub-contracted employees.
  - Ensure workers are employed of their free will (including overtime work), paid a wage equal to or exceeding the legal minimum wage, enjoy freedom of movement and freedom of association.
- Ethical Recruitment – ensure ethical recruitment processes where all workers understand their terms on engagement, what is required of them and have written documentation in an appropriate language.
- Child Protection – Prohibit the employment of children and facilitate access to education.
- Respect of Diversity – Provide equal opportunity on employment without any discrimination to employees regardless of nationality, race, gender or religion.
- Prevention of Harassment and Violence – Provide a working environment free from harassment, discrimination and violence of any form including sexual harassment.
- Occupational health & safety management – ensure workers benefit from robust systems and procedures to limit exposure to risk of health and safety hazards and are covered for work-related illness and injuries.
- Human Resource Management best practices – Continue to attract, motivate and retain talented employees at all levels by providing training, job security and opportunities to grow within the organization.

INDIGENOUS AND LOCAL COMMUNITIES RIGHTS

- Respect of Indigenous and Local Community legal rights including land tenure rights.
- Application of Free, Prior and Informed Consent (FPIC) principles whenever relevant.
- Cooperation with local government and/or civil societies to enhance the livelihood of smallholders and provide opportunities to improve the socio-economic conditions of local communities.

COMPLAINTS AND GRIEVANCES

BLDP recognizes that the development of a credible operational level grievance procedure is critical to successfully deliver on the Group sustainability commitments. BLDP will therefore develop a procedure to enable stakeholders to raise a grievance.

BLDP acknowledges that the implementation of this Policy and its effectiveness requires the support and co-operation of its business associates. BLDP will work to implement this Policy throughout the supply chain and continually monitor, review and improve its Policy towards a traceable, transparent and sustainable palm oil supply chain. BLDP commits to reporting publicly on the implementation of this Policy.

TUAN HAJI WAN ABDILLAH HAMID
Executive Director

Dated 1st May 2019

TARGETS AND ACHIEVEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

Target	Status of Target	Material Sustainability Matters
Sustainable Palm Oil Policy	Achieved	All
No Child Labour	Achieved	Human and Workers' Rights
No Forced Labour	Achieved	Human and Workers' Rights
No Work-Related Fatalities	Achieved	Safety and Health
Auxiliary Polices for security of own operations and nearby communities	Achieved	Social and Workers' Welfares
Kirana Palm Oil Refinery & Kernel Crushing Plant - ISO 9001	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - ISO 14001	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - ISO 22000	Achieved	Certification
Kirana Kernel Crushing Plant - GMP+B2	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - GMP for Food	Achieved	Certification

SUSTAINABILITY STATEMENT *(CONTD.)*

Target	Status of Target	Material Sustainability Matters
Kirana Palm Oil Refinery & Kernel Crushing Plant - HACCP	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - HALAL	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - KOSHER	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - MESTI	Achieved	Certification
BLD Igan Palm Oil Mill - MSPO Part 4	Achieved	Certification
BLD Sawai Palm Oil Mill - MSPO Part 4	Achieved	Certification
BLD Sawai Estates - MSPO Part 3	Achieved	Certification
BLD Lambir Estates - MSPO Part 3	Achieved	Certification
Niamas Estates - MSPO Part 3	Achieved	Certification
BLD Kabang Estates - MSPO Part 3	Achieved	Certification
Grand Mutual Sawai Estates – MSPO Part 3	Achieved	Certification
Grand Mutual Lassa Estates – MSPO Part 3	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - MSPO SCCS	Achieved	Certification
BLD Igan Palm Oil Mill – MSPO SCCS	Achieved	Certification
BLD Sawai Palm Oil Mill – MSPO SCCS	Achieved	Certification
Conduct HCV Assessment for Oil Palm Field on Peat	Achieved	Environmental & Biodiversity Protection
Develop Sustainability Implementation Plan	Achieved	All
Develop Sustainability Dashboard	Achieved	All

TARGETS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Target	Material Sustainability Matters
Develop Biodiversity Management Plan for Igan Region	Environmental & Biodiversity Protection

STAKEHOLDERS ENGAGEMENT

Stakeholder engagement is an ongoing process throughout the lifecycle and it is critical to build lasting credibility and trust in BLDP. BLDP recognises the importance of our stakeholders towards supporting and ensuring our success in commercial and sustainability endeavours. BLDP also acknowledges that each stakeholder has a unique perspective on the impact of our operations to them and each of them is equally valuable to us.

BLDP adopts a transparent approach in the engagement with relevant stakeholders. The GSMC with the support from the Board, takes the responsibilities to assess and identify the sustainability matters by prioritizing them according to the impact and importance not only to our businesses but also to our key stakeholders. The GSMC undertakes review on materiality assessment, monitors sustainability performance and discloses material sustainability matters in order to ensure proper sustainability management is in place.

The key stakeholder groups of BLDP include shareholders, customers, employees, local communities, government authorities, suppliers and contractors, and non-governmental organizations ("NGOs"). BLDP continues to monitor stakeholders' concerns and engage with the stakeholders to address material matters when necessary.

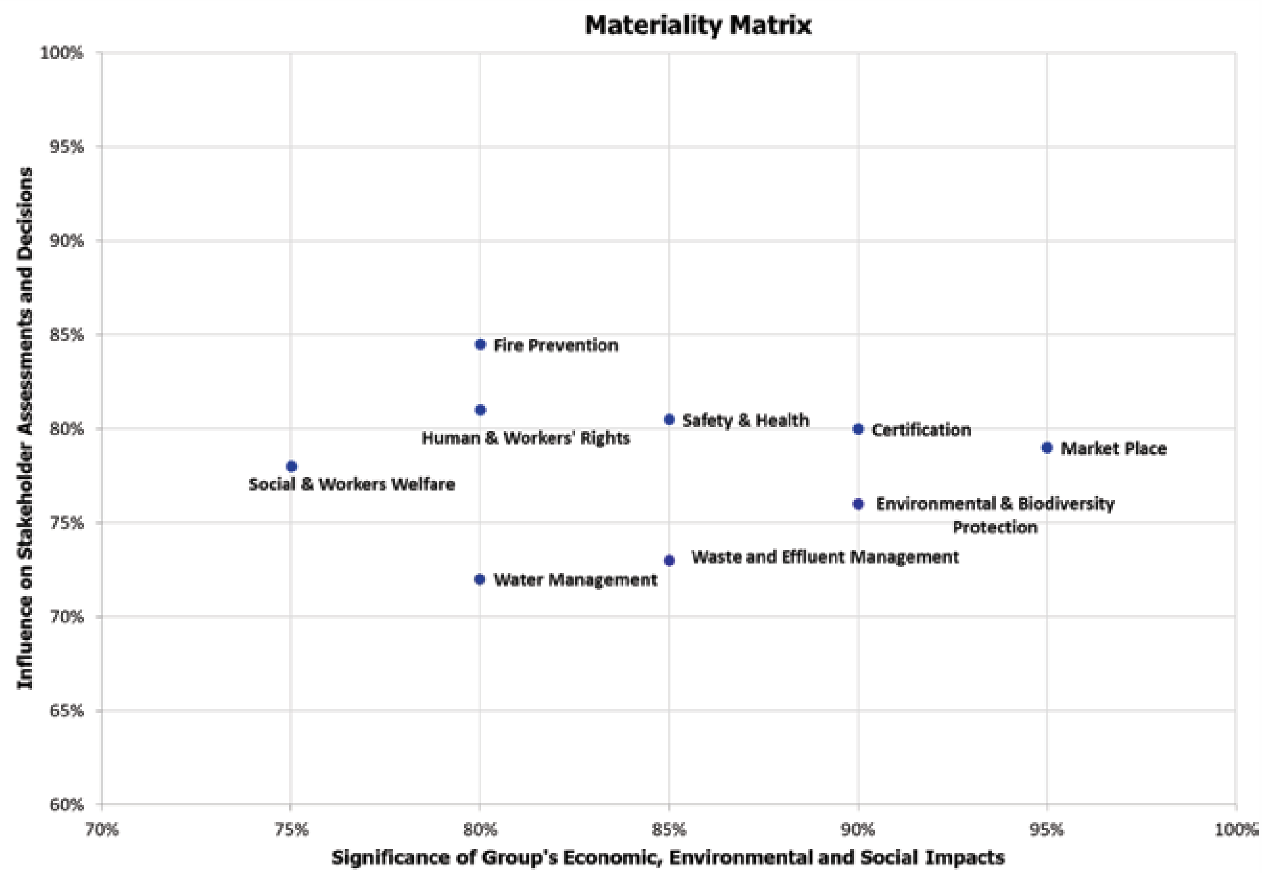
Stakeholders Group	Engagement Approach	Frequencies	Sustainability Matter	Addressed by Material Sustainability Matters
Shareholders	Annual General Meetings	Annually	• Company performance and development • Business sustainability	• Market Place
	Annual Reports	Annually		
	Company Website	As necessary		
Customers	Site visits	As necessary	• Product quality, pricing and delivery • Sustainability related matters	• Market Place • Certification • Safety and Health • Environmental and Biodiversity Protection
	Customer Surveys & Feedbacks	As necessary		
	Electronic Communication	As necessary		
	Meetings	As necessary		
Employees	Stakeholders' Meetings	Annually	• Employees' welfare • Employees' safety and health • Employees' working conditions and harassment	• Human and Workers' Rights • Safety and Health • Certification
	Safety and Health Committee Meetings	Quarterly		
	Women Welfare Committee Meetings	Quarterly/ Annually		
	Memos/Notices	As necessary		
	Electronic Communication	As necessary		
	Briefings	As necessary		

SUSTAINABILITY STATEMENT *(CONTD.)*

Stakeholders Group	Engagement Approach	Frequencies	Sustainability Matter	Addressed by Material Sustainability Matters
Communities	Stakeholders' Meetings	Annually	• Communities development • Job opportunities • Awareness on safety and environmental protection	• Certification • Social and Workers' Welfare • Safety and Health
	Community Engagement	As necessary		
	Notices	As necessary		
	Electronic Communication	As necessary		
	Briefings/ Trainings	As necessary		
Government Authorities	Site visits / On-site inspections	Periodically	• Compliance to the legal requirements	• Safety and Health • Environmental and Biodiversity Protection • Certification
	Stakeholders' Meetings	Annually		
	Dialogue sessions	As necessary		
	Electronic Communication	As necessary		
Suppliers & Contractors	Stakeholders' Meetings	Annually	• Products quality, pricing and delivery • Sustainability related matters • Compliance to the legal requirements	• Market Place • Certification • Safety and Health • Environmental and Biodiversity Protection
	Site visits	As necessary		
	Meetings/ Dialogues	As necessary		
	Trainings/ Briefings	As necessary		
	Electronic Communication	As necessary		
NGOs	Engagement Meetings	As necessary	• Sustainability related matters	• Safety and Health • Human and Workers' Rights • Environmental and Biodiversity Protection • Certification
	Electronic Communication	As necessary		
	Company Website	As necessary		

MATERIALITY MATRIX

During this financial year, BLDP reassessed its material sustainability matters with the inputs of stakeholder groups which taking into account the significance of environmental, economic and social aspects, impacts, risks and opportunities that are vital to the success and continued growth of BLDP. BLDP determined the material sustainability matters and their order of priorities remained relevant. Hence, there was only a minor change in BLDP's materiality matrix from last financial year. The Materiality Matrix is shown below:



Summary of Materiality Matter linked to United Nation Sustainable Development Goals:

Pillars	Significant Materiality Matter	Link to UN SDG
Economic	1. Market Place 2. Certification	8 Decent Work and Economic Growth 12 Responsible Consumption and Production
Environment	3. Environmental & Biodiversity Protection 4. Waste and Effluent Management 5. Water Management	6 Clean Water and Sanitation 13 Climate Action 15 Life on Land
Social	6. Safety and Health 7. Fire Prevention 8. Human and Workers' Rights 9. Social and Workers' Welfare	3 Good Health and Well-Being 10 Reduced Inequalities

Market Place

Year 2020 was an eventful year for the palm oil industry with the global economy affected by worldwide lockdown due to Covid-19 pandemic in the first half of the year. According to Malaysian Palm Oil Board (MPOB) published article, the palm oil sector had taken a hit by the import ban from United States due to the allegation of the involvement of palm oil company in forced labour practices. This sentiment has tarnished the images of Malaysian palm oil producers. On the other hand, towards the end of 2020 the prospect to palm oil industry remains positive with a record breaking CPO price of RM3,835 per tonnes as reported by MPOB. MPOB also expected the demand from China and India will increase in the year 2021 attributed to the resumption of daily businesses after lifting the Covid-19 lockdown restrictions.

BLDP brings direct and indirect economic impacts to the regional economic growth and development. In our procurement practices, BLDP engages in local sourcing for quality products and services to support our local suppliers. Long-term business relationship with our suppliers has been established over the years, hence minimizes the potential risk of supply chain disruption caused by shortage of supply. In Processing Division, the BLDP mills that are strategically located in the vicinity of many surrounding estates, accepts consistent Oil Palm Fresh Fruit Bunches (“FFB”) supply not only from our own estates but also from nearby estates and smallholders. Owing to the strategic location of the mills, suppliers of FFB from the nearby estates and smallholders could save up on transportation costs and ensure best quality of FFB in freshness when delivered to the palm oil mills.

BLDP has engaged in the Native Customary Rights (“NCR”) Land Development Scheme that was initiated by the State Government of Sarawak in Year 1997. The joint venture has provided BLDP to allocate its financial resources and technological expertise to develop idle and under-utilized NCR land for commercial oil palm plantation. This has successfully created job opportunities to the indigenous community and their standards of living have been improved in tandem with the development of infrastructure facilities and amenities in the rural areas.

Our priority remains geared towards the twin objectives of increasing both yields and labour productivity. Through enhancing internal efficiencies and continuously rebuilding internal organisational strengths by accelerating the implementation of mechanisation in our oil palm estates, we envisage that our continuing efforts will bear fruit in the coming years. In line with BLDP’s commitment to produce palm oil in a sustainable manner through continuous improvement in our operations, all oil palm estates, palm oil mills, refinery and kernel crushing plant are MSPO certified. In consideration of the economic downturn since the outbreak of Covid-19 pandemic, BLDP put forth the efforts in retaining employees and sustaining the employees’ benefits are believed to have positive impact in the local and regional economies during this period.

While BLDP continues to focus on improving yields from its oil palms, the Board is mindful of external factors beyond BLDP’s control that can impact profits-potential turbulence in the global economy such as weaker ringgit, rising interest rates and fluctuating of palm oil prices. During this financial year, BLDP did not receive any complaints of improper conduct or allegations of corruption involving management, employees and workers; as well as fines pertaining to non-compliance and breach of environmental and social laws and regulations.

Certification

► Sustainability Certification

BLDP has obtained MSPO certifications for all palm oil mills and oil palm estates in Year 2019 to build a more traceable and sustainable palm oil supply chain. Besides that, all palm oil mills, refinery and kernel crushing plant had been certified under MSPO Supply Chain Certification Standard ("SCCS") in December 2019. Nominated staff from oil palm estates, palm oil mills, refinery and kernel crushing plant who had attended the MSPO and MSPO SCCS Lead Auditor Courses organized by the Certification Bodies are qualified to conduct internal auditor trainings at their respective work stations.

► Food Safety, Feed Safety, Environmental and Quality Management System Certification

The kernel crushing plant of BLDP has been certified under GMP+B2 Feed Safety Assurance System for the production of Palm Kernel Expeller since Year 2009. Since Year 2011, the refinery and kernel crushing plant have also been certified for ISO9001:2015 (Quality Management System), ISO14001:2015 (Environmental Management System), ISO22000:2005 (Food Safety Management System), MS1514:2009 (Good Manufacturing Practice for Food), MS1480:2007 (Food Safety according to HACCP System), HALAL, KOSHER and MESTI Certification.

In Year 2020, the palm oil refinery and kernel crushing plant of BLDP had upgraded the ISO22000:2005 (Food Safety Management System) to the new ISO22000:2018 standard as well as upgrading of MS1480:2007 (Food Safety according to HACCP system) to the new MS1480:2019 standard to meet the market needs of food safety.

BLDP views certification as an opportunity to further improve internal process and gain competitive marketing advantages. BLDP's Sustainability Department continuously monitors and conducts assessments to ensure the operations of the Group are maintaining and complying with relevant certification requirements which include MSPO, MSPO SCCS and ISO standards.

► Trainings

BLDP places strong emphasis on staff development through proper trainings to enhance their knowledge and skill to enable them to perform their assigned task more effectively and efficiently. Training allows employees to address their weaknesses by improving their skills and knowledge which can benefit both individual and organisation as a whole. These trainings include MSPO & MSPO SCCS Auditing, Best Agriculture & Management Practices, Standard Operating Procedures, Environment, Emergency Evacuation Procedures, Hazard Identification, Risk Control and Risk Assessment (HIRARC), Developing Effective Safety and Health Committee and others. Training schedules are prepared for our employees annually in the respective oil palm estates, palm oil mills, refinery and kernel crushing plant to ensure that various trainings are being carried out on a regular basis throughout the year, which promotes leadership succession in driving the organisation towards its goals.

Various in-house trainings that focus on specialized field are conducted to better meet the training requirements of the staffs. In identifying skill gaps and developing job competencies, staffs are given the opportunities to attend relevant training programs, seminars or conferences to equip themselves with necessary skills, expertise and knowledge to ensure a consistent and accurate assessment of talent. Staffs from oil palm estates, palm oil mills, refinery and kernel crushing plant have attended 3-days comprehensive firefighting and emergency preparedness training conducted by Fire and Rescue Department ("BOMBA") to enhance their level of preparedness in fire prevention activities. The committee has prioritised workplace safety by performing periodic workplace inspections and conducting safety and health committee meetings.

In consideration of the recent Covid-19 pandemic outbreak, awareness and briefing regarding the unprecedented Covid-19 pandemic were also conducted by head of department to ensure all employees adhere to the most current regulations and Standard Operating Procedure (SOP) issued by the Ministry of Health (MOH) and the State Government of Sarawak. All employees have to practice social distancing, wear face mask, wash hand regularly and other necessary procedures to fight the pandemic. BLDP has closely monitored updates from the National Security Council (MKN) and Sarawak Disaster Management Committee (SDMC) and disseminated latest update via memo to various operation sites. BLDP has complied with the Procedure for Prevention of Covid-19 at Workplace which was published by the Department of Occupational Safety and Health and Ministry of Human Resource Malaysia.

Environmental & Biodiversity Protection

BLDP is committed to comply with all applicable environmental laws and regulations. Natural Resources and Environment Board conducted several site inspections to our oil palm estates, in addition, Department of Environment conducted several site visits to our palm oil mills, refinery and kernel crushing plant. Sample of industrial effluent are collected to determine whether the quality of our palm oil mills' final discharge complies with the requirements. To date, all relevant reports have shown compliance with the applicable environmental requirements.

BLDP acknowledges the importance of protecting natural environment to ensure sustainability. BLDP is aware of the adverse environmental impact of burning. Therefore, BLDP strives for implementation of zero open burning in all our oil palm estates, palm oil mills, refinery and kernel crushing plant to minimise and reduce greenhouse gas ("GHG") emission. Continuous monitoring of GHG emission throughout operations is required. BLDP is also guided by relevant regulations on protection of the biodiversity of wildlife sanctuaries within our concessions. BLDP has conducted several biodiversity assessments to assess Rare, Threatened or Endangered ("RTE") biodiversity and Ecosystem for our oil palm estates in accordance with the International Union on Conservation of Nature and Natural Resources (IUCN) Red List, Appendix 1 of Convention on International Trade in Endangered Species (CITES) and protection status assessed according to Wildlife Protection Ordinance 1998 (WLPO).

BLDP is promoting the conservation and development of biodiversity through several actions including prohibiting all illegal activities such as hunting, poaching, encroachment, and burning. Auxiliary Polices and estate teams have been patrolling periodically. BLDP has conducted regular biodiversity monitoring of habitat and RTE ecosystems at unplantable areas to provide feedback and information for improving management decision to ensure long term conservation of flora and fauna in the oil palm estates and its surrounding.

Waste and Effluent Management

Growing of oil palm and processing of palm oil may produce a certain amount of organic wastes. BLDP has set a dedicated waste management plan to manage the waste generated from all oil palm estates, palm oil mills, refinery and kernel crushing plant in an effective manner. BLDP strives to minimise waste generation through reducing, reusing and recycling of materials in its operating activities whenever feasible.

BLDP monitors its management practices in handling of wastes at our sites by minimizing waste generation and proper segregation, storage, transport and disposal of scheduled waste and domestic waste in adherence to standards set by Department of Environment ("DOE") and local municipal councils. All scheduled wastes are handled in accordance with the Environmental Quality (Scheduled Wastes) Regulation 2005 requirements. Designated competent person for all operation sites is responsible in periodically submitting of reports through DOE online reporting system (Electronic Scheduled Waste Information System). Regular monitoring of waste and effluent treatment plant is an approach to improve and optimise the waste management processes as well as minimize the environmental pollution.

Palm Oil Mill Effluent (POME) are properly treated and monitored by designated competent person to ensure full compliance with the Environmental Quality (Industrial Effluent) Regulations 2009 requirements before allowing to be discharged into the waterways. DOE will come for regular site inspection and collect effluent sample at final discharge point for analysis. To date, BLDP managed to achieve 100% compliance with the above regulations.

Water Management

Water is a crucial resource required for oil palms cultivation during dry season, processing of oil palm fruits and palm oil refining. Our water management is focused on the optimization of water usage and reduction of water wastage.

BLDP recognizes that maintaining good water quality is vital for safeguarding the health of our employees as well as of the local communities. Measures that have been taken include setting up water treatment plant to process and supply clean water safe for human consumption. Testing of water quality is also carried out at least once a year to ensure that it is safe for drinking and other daily usage.

Furthermore, water management plays an important role in peat soil management and mitigate the impact of drought and flooding. BLDP has taken some measures such as proper maintenance of riparian zone along waterways where spraying and manuring activities are strictly prohibited and strict prohibition of discharging chemical waste, solid waste and used lubricant into the waterway.

Proper water management is essential to prevent irreversible peat drying by ensuring sufficient soil moisture. BLDP has taken measure to maintain or restore water level as close to the natural references condition as possible by installation of weir at appropriate locations as well as to carry out drainage and other activities only when required and avoid unnecessary deterioration in the quality and quantity of ground and surface water. Other measures taken for monitoring of water table are as follows:

- Installation of water level gauge beside the stop-off or weir in the collection drains and daily changes in the water level are monitored.
- Field piezometers are installed for monitoring of the groundwater table.
- Subsidence poles are installed for monitoring of peat subsidence.

Human and Workers' Rights

BLDP ensures that the dignity and rights of our workers are respected in line with legal regulations and the United Nations' guiding principles on human rights taking into consideration of the significance in local and international social setting. Our commitments are as follows:

- Provide equal opportunities in employment and no discrimination to employees regardless of race, gender and religion.
- Provide, for all employees, a safe environment free from discrimination and violence on any ground, and form of harassment at work.
- Ensure employees are paid based on legal requirement on minimum wage.
- Prohibit child labour and forced labour within our organization.
- Resolve all complaints and grievances of employees through a standard procedure.
- Ensure workers' availability of their own passports.
- Practice Human Resource Management Best Practices by continuing to attract, motivate and retain talented employees at all levels by providing training, job security and opportunities to grow within the organization.

Social and Workers' Welfare

BLDP constantly strives to improve the health and well-being of our employees by creating a conducive working environment for all our employees. In addition, BLDP also provides quality quarters, playgrounds, recreational and medical facilities for our staffs. BLDP emphasizes on establishing a corporate culture that encourage work-life balance of our employees, showing appreciation to staff and valuing their supports. We encourage all employees to participate in teambuilding activities and engage with others through the recreational activities such as Family Day, Sport Carnival and Staff Gathering Dinner.

► Young People Development Programme ("YPDP")

In Year 2012, BLDP launched the YDPD for Plantation Management as an initiative to help post-secondary school students who passed their SPM or STPM by providing them the opportunity in paving a better career path in Plantation Management at young age. The main objective of the YPDP is to recruit SPM and STPM school leavers as management trainees in BLDP. There are 6 batches with total number of 88 applicants who have undergone the YPDP, of which 66 (75%) of them have been successfully recruited as BLDP staff. There are two (2) schemes under the YPDP:

Scheme 1
New recruits under YPDP are required to attend 3 – 6 months pre-training program in Kuching. Pre-training program will cover English Proficiency and application of Microsoft Office. As practical working experience is essential, the part-time industrial trainings will be provided to expose them to actual working environment. During the training period, accommodation and monthly allowance will be provided. Upon completion of the Pre-training program, those with SPM qualification will be awarded full scholarship to study Foundation in Arts in Executive College for duration of one (1) year whereas for those with STPM qualification will be offered full-time employment as management trainee in oil palm plantation. However, BLDP also provides full scholarship for them to continue their pursuit for diploma and degree course in Plantation Management on part-time basis.

Scheme 2

This scheme comprises two (2) stages. In the first stage, the student will work as daily paid industrial trainees in the oil palm plantation immediately after their SPM, STPM or UEC examination for a period of 3 – 6 months to gain some work experience whereby they are required to complete two short training courses. In stage 2, after the industrial training period which will end at the time of release of the official examination results, the trainee will be offered the opportunity to work with BLDP. While they are employed full time, BLDP also provides full scholarship for them to pursue part-time distance study in Diploma or Degree courses.

► Talent Development Programme

BLDP also recognises the value of human capital and has been initiating support for training and talent development programmes. BLDP provides sponsorship to encourage employees to undertake academic courses in order to enhance their skills and knowledge, and allow them to achieve better performance at work. In Year 2018, there were staffs graduated with Executive Bachelors in Plantation Management or Executive Bachelors in Business Management from Vinayaka Mission University College with part-time study under full scholarship. Currently, another batch of staffs are studying part-time for the Diploma in Business Administration with Lincoln University College under full scholarship.

► Donation to Local Communities, Education Sectors and Government Bodies

As a socially responsible company, BLDP makes regular contribution to the charity and donation to local communities, schools, foundations, associations and government bodies. BLDP continues to support local communities when need arises, especially during this Covid-19 pandemic, BLDP has provided some assistance by distribution of face masks to nearby longhouses.

► Establishment of Auxiliary Police Unit

On 25 May 2015, BLDP was awarded with the approval certificate by the Crime Prevention and Community Security Department to set up Auxiliary Police unit. In present, a total of 92 Auxiliary Police (“AP”) had been recruited and completed their basic Police training at Pusat Latihan Police. They were assigned to designated estates, mills, refinery and kernel crushing plant in Miri, Sibu and Bintulu regions. The function of AP is to safeguard BLDP’s properties as well as protect the safety of local communities. Our AP performs static guard duty at check points and conducts daily security patrol at the premises, quarters, estates, mills, refinery and kernel crushing plant and vicinity to ensure a safe and secure environment. Currently, BLDP is in progress of recruiting more calibre AP candidates to attend the basic Police training at Pusat Latihan Police to meet the sufficient numbers of AP required in each operation.

► Grievances Procedure

BLDP has implemented a transparent Complaint and Grievances Procedure in all operation units. Trained and designated staffs are assigned to handle any complaints or grievances received in accordance with the procedure. Briefings are conducted to all staffs and stakeholders during stakeholder meetings or one-to-one briefings.

► Women Welfare Committee

Women Welfare Committee has been established as a platform for female employees to raise their concerns or problems encountered at workplace, to protect themselves against sexual harassment and violence. Quarterly or annual activities are organised by the committee to enhance the relationship among the female employees. The committee has contributed to promoting awareness of women's rights or welfare within the organisation and has been receiving positive response from the female workers.

Occupational Safety and Health

BLDP is committed in providing a safe and healthy working environment for all the employees through the following approaches:

► Safety and Health Policy

Safety and Health Policy as a written commitment from Top Management to safeguard the safety and health of all employees at work.

► Management Measures to combat Covid-19

BLDP is mindful of its role in combating the Covid-19 pandemic and has prioritized the well-being of the employees. Through the Public-Private Partnership Covid-19 Immunisation Programme (PIKAS), BLDP had taken the necessary action to ensure all employees received their vaccination. In adherence to most current regulations and Standard Operating Procedure (SOP) issued by the Ministry of Health (MOH) and the State Government of Sarawak, BLDP has enforced a strict procedures at workplace including social distancing, wearing mask, applying hand sanitisers and movement control.

Safety and health committee in each location has been conducting briefings to the employees on matters related to Covid-19 from time to time. BLDP also provided face masks, hand sanitizers and temperature scanners for employees.

► Chemical Health Risks Assessment ("CHRA")

Competent Assessor registered with Department of Occupational Safety and Health ("DOSH") is appointed to carry out CHRA for all our operation units including oil palm estates, palm oil mills, refinery and kernel crushing plant to identify health risks arising from the use of hazardous chemical at workplace and to recommend control measures to mitigate the severity of the effects from the hazardous chemical used.

Based on CHRA recommendation, competent Hygiene Technician 1 registered with DOSH is appointed to conduct Employee Personal Exposure Monitoring for staffs handling hazardous chemicals to monitor their degree of exposure once a year. The said staff will be required to go for medical surveillance once a year to ensure their good health and promote well-being in maintaining a safe workplace.

CHRA will be conducted once every five (5) years by competent assessor in accordance with Occupational Safety and Health Act (Use and Standard of Exposure Chemical Hazardous to Health Regulation 2000).

► Hazards Identification Risks Assessment and Risks Control (“HIRARC”)

HIRARC has been conducted on all operation units including oil palm estates, palm oil mills, refinery and kernel crushing plant to identify all hazards related to work activities. Risk assessments are conducted to prioritize the identified risks and control measures to be implemented to mitigate the risks. HIRARC is reviewed whenever there are any changes in process, work activities, new equipment, findings from any incident or near miss accident and findings from workplace inspection reported by the safety committee member. In year 2020, with the implementation of movement control order in Malaysia in relations to the Covid-19 pandemic, HIRARC regarding Covid-19 had been conducted to identify emerging risks by evaluating potential adverse consequences. All control measures had been put in place to address the identified risk.

► Noise Exposure Monitoring

According to Occupational Safety and Health (Noise Exposure) Regulations 2019, BLDP has appointed Noise Competent Person registered with DOSH to conduct Area Noise Mapping and Employee Noise Exposure Monitoring to ascertain whether any employee is exposed to noise level above Permissible Exposure Limit of 85dB(A) at palm oil mills, refinery and kernel crushing plant. Personal Hearing Protection (“PHP”) shall be provided by BLDP and trainings shall be conducted to staff to ensure proper usage and care of PHP.

Measuring noise levels and workers’ noise exposures is essential for safety workplace. Noise mapping and noise exposure monitoring have been conducted for palm oil mills, refinery and kernel crushing plant. Staffs working at high noise areas have been sent for audiometric testing program by registered Occupational Health Doctor on annual basis. Briefings on the results of the audiometric tests, the provisions of the regulations and effects of noise on hearing are conducted to the relevant staffs.

► Safety Training

Safety awareness trainings conducted by site safety personnel is compulsory for new employee before they start their work in all operation sites. Emergency Response Team members are trained in BOMBA Bintulu to enhance their skill in firefighting and emergency evacuation procedure. External Safety Competency trainings attended by the employees are Basic Occupational First Aid, CPR + AED Training and Competent Forklift Driver Training with certificates issued by qualified trainer.

Fire Prevention

► Emergency Response and Preparedness

Emergency Response Team ("ERT") has been set up in all oil palm estates, palm oil mills, refinery and kernel crushing plant. Selected ERT members from mills, refinery and kernel crushing plant have undergone three (3) days full firefighting and rescue training by BOMBA Bintulu to equip themselves with knowledge and skills in firefighting and rescue to enable them to conduct internal firefighting training to other ERT members.

Regular trainings for all ERT members and fire drills at all operation units are conducted on annual basis to test the readiness of the firefighting system. Implementation of effective fire prevention practices can improve the level of safety through cooperative education, such practices include:

- Regular checking and maintenance of firefighting equipment is carried out and ensure all equipment are in good working condition and are easily accessible.
- Flammable materials or other hazardous substances are stored in a safe place.
- Fire safety demonstrations/fire drill practice are conducted.
- Designated smoking area with a safe distance away from the building is provided.
- Emergency plans and assembly location are assigned.
- Installation of smoke detector in the building.
- Update of list of emergency contact.

Upon BOMBA's requirement, BLDP's refinery and kernel crushing plant have installed the specific fire safety system namely Automatic Fire Alarm Monitoring Control System "Sistem Pengawasan Kebakaran Automatik - SPKA" which connects directly to the Fire and Rescue Station associated with the switching bypassing the switchboard to ensure this automatic fire alarm monitoring system is conducted in an organized fire surveillance station to meet the established standards in developed countries.

SUSTAINABILITY STATEMENT *(CONTD.)*

~ Our Engagement with Stakeholders ~

Caring Our Nearby Local Communities

- *Support to local communities during disaster and Covid-19 pandemic.*

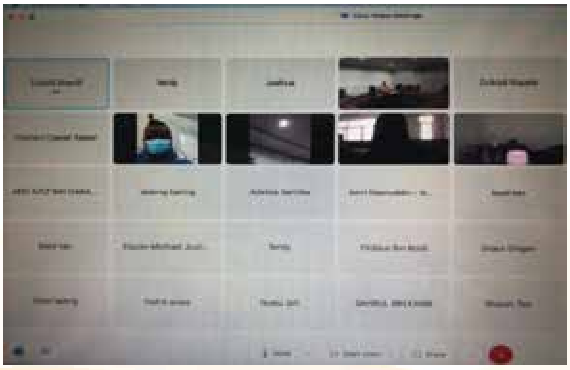
Collaboration with Government Authorities

- *Collaboration with Sarawak Forest Corporation - patrolling the National Park boundary and educating employees on the conservation efforts.*

Caring our Employees

- *Food aid distributed to the workers during lockdown period.*
- *Public-Private Partnership Covid-19 Immunisation Programme (PIKAS) for employees.*

Trainings and Development of Employees



- *Staffs attended Hazard Identification, Risk Assessment and Risk Control (HIRARC) and Developing Effective Safety & Health Committee*

ADDITIONAL COMPLIANCE INFORMATION

The additional information as set out below is disclosed in compliance with the Main Market Listing Requirements for the financial year ended 31 March 2021:-

1. Utilisation of Proceeds
   There were no proceeds raised from corporate proposal during the financial year.

2. Audit and Non-audit fee
   The amount of audit and non-audit fees paid to the Company's external auditors and a firm or corporation affiliated thereto during the financial year are as follows:

	Company RM	Group RM
Audit Fees	87,000	252,500
Non-Audit Fees	10,000	10,000

3. Recurrent Related Party Transactions of Revenue Nature
   The recurrent related party transactions conducted pursuant to the shareholder mandate during the financial year are disclosed on pages 118 to 120 of this Annual Report.

4. Material Contracts
   There was no material contract entered into by the Company and its subsidiaries involving Directors' and Major Shareholders' interests during the financial year.

5. Revaluation Policy
   There was no revaluation policy on landed properties adopted during the financial year.

6. Employee Share Scheme
   The Company did not offer and/or adopt any Employee Share Scheme during the financial year.

STATEMENT ON DIRECTORS' RESPONSIBILITY

IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to ensure that the financial statements are prepared to give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year, and of their results and cash flows for the financial year.

In preparing the financial statements, the Directors have :
(a) applied appropriate accounting policies on a consistent basis;
(b) made judgements and estimates that are reasonable and prudent; and
(c) prepared the financial statements on a going concern basis.

The Directors have a general responsibility for ensuring the Group and the Company keep accounting records and financial statements, which disclose with reasonable accuracy the financial position of the Group and of the Company. The Directors have taken steps to ensure that such financial statements are drawn up in accordance with the provisions of the Companies Act 2016, applicable Financial Reporting Standards in Malaysia and other regulatory provisions.

The Directors are also responsible for taking steps that are reasonably open to them to safeguard the assets of the Group and prevent and detect fraud and other irregularities.

This Statement is made in accordance with the resolution of the Board of Directors dated 11 August 2021.

FINANCIAL STATEMENTS

BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2021.

Principal activities

The Company is principally engaged in investment holding and provision of management services.

The principal activities of the subsidiaries are as set out in Note 14 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Group and of the Company during the financial year.

Results

	Group RM	Company RM
Profit for the financial year	66,529,151	226,849
Attributable to:		
Owners of the parent	65,284,569	226,849
Non-controlling interests	1,244,582	-
	66,529,151	226,849

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year.

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year.

At the forthcoming Annual General Meeting, a first and final tax exempt (single-tier) dividend in respect of the financial year ended 31 March 2021, of 3.00 sen per share will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2022.

BLD PLANTATION BHD.
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Directors

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Dato Henry Lau Lee Kong
Tuan Haji Wan Abdillah Bin Wan Hamid
Datu Haji Sarudu Bin Haji Hoklai
Datuk Haji Hamden Bin Haji Ahmad
Robert Lau Hui Yew

Directors' interest in shares

The shareholdings in the Company and related corporations of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, are as follows:

	← Number of Shares →			
	Balance as at 1.4.2020	**Bought**	**Sold**	**Balance as at 31.3.2021**
In the Company				
Direct Interest:				
Tuan Haji Wan Abdillah Bin Wan Hamid	104,821	-	-	104,821
Robert Lau Hui Yew	100,000	-	-	100,000
Indirect Interest:				
Dato Henry Lau Lee Kong	37,279,576	-	-	37,279,576
Tuan Haji Wan Abdillah Bin Wan Hamid	16,398,807	-	-	16,398,807
Robert Lau Hui Yew	34,108,634	-	-	34,108,634

By virtue of their interests in the shares of the Company and Section 59 of the Companies Act 2016 in Malaysia, Dato Henry Lau Lee Kong, Tuan Haji Wan Abdillah Bin Wan Hamid and Robert Lau Hui Yew are also deemed interested in the shares of the subsidiaries of the Company to the extent that the Company has an interest.

Other than as disclosed above, none of the Directors at the end of the financial year held any interest in shares in the Company or its related corporations during the year.

BLD PLANTATION BHD.
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Directors' benefits

Since the end of the previous financial year, no Director of the Group and of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors or the fixed salaries of full time employees of the Group and of the Company as disclosed in Note 4 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for those disclosed in Note 26 to the financial statements.

There were no arrangements during or at the end of the financial year, which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' remuneration and fee

Directors' remuneration of the Group and of the Company are amounted to RM3,970,722 and RM62,696 respectively as disclosed in Note 4 to the financial statements.

Directors' fees of the Group and of the Company are amounted to RM444,900 and RM228,900 respectively as disclosed in Note 4 to the financial statements.

Indemnity and insurance for directors, officers and auditors

The Company has paid a premium of RM13,790 for Directors and Officers Liability insurance up to a limit of RM10 million for the period from 1 July 2020 to 30 June 2021 for all the Directors.

Except for the abovementioned, there was no indemnity given to or insurance effected for any Director, officer or auditor of the Company.

Issue of shares and debentures

There were no changes in the share capital of the Company during the financial year.

There were no debentures issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

BLD PLANTATION BHD.
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Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that no known bad debts and that provision need not be made for doubtful debts; and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would necessitate the writing off of bad debts or the making of provision for doubtful debts; or

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, the results of the operations of the Group and of the Company for the financial year ended to 31 March 2021 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
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Significant event during the financial year

Details of significant event during the financial year is disclosed in Note 33 to the financial statements.

Auditors

The auditors, Messrs PKF, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2021 amounted to RM262,500 and RM97,000 respectively.

Signed on behalf of Directors
in accordance with a resolution of the Board,

DATO HENRY LAU LEE KONG	TUAN HAJI WAN ABDILLAH BIN WAN HAMID

Kuching

30 August 2021

BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016 IN MALAYSIA

In the opinion of the Directors, the accompanying financial statements as set out on pages 56 to 132 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2021 and of their financial performance and their cash flows for the financial year ended on that date.

Signed on behalf of Directors
in accordance with a resolution of the Board,

DATO HENRY LAU LEE KONG

TUAN HAJI WAN ABDILLAH BIN WAN HAMID

Kuching

30 August 2021

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016 IN MALAYSIA

I, DATO HENRY LAU LEE KONG, being the Director primarily responsible for the financial management of BLD PLANTATION BHD., do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 56 to 132 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960 in Malaysia.

Subscribed and solemnly declared by the above-named at Kuching in the State of Sarawak on 30 August 2021)
)
)

DATO HENRY LAU LEE KONG

Before me,

PHANG DAH NAN
Commissioner For Oaths (No. Q119)
No. 55, 1st Floor,
Jalan Chan Bee Kiew
Off Jalan Padungan,
93100 Kuching, Sarawak.

INDEPENDENT AUDITORS'REPORT
TO THE MEMBERS OF BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BLD PLANTATION BHD., which comprise the statements of financial position as at 31 March 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 56 to 132.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS'REPORT
TO THE MEMBERS OF BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
(Incorporated in Malaysia)
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(continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

1. Fair value of biological assets
(*Refer to Note 17 to the financial statements*)

As stated in Note 2(k) to the financial statements, biological assets of the Group comprised produce growing on bearer plants which are measured at fair value less costs to sell. The fair value less costs to sell of the biological assets as at 31 March 2021 amounted to RM21,746,471. The fair value of the biological asset is determined by management using expected net cash flows with the following inputs:

- estimated selling price less costs to sell;
- estimated extraction rate of crude palm oil;
- estimated recovery rate of palm kernel; and
- expected quantity of underripe fresh fruit bunch on bearer plants.

We focused on this area as a key audit matter due to the degree of the management's judgement involved and assumptions of future events that are inherently uncertain.

Our audit procedures performed includes the following:

(a) made enquiries with the appropriate personnel to evaluate the basis of yield rate;
(b) Review the reasonableness of yield rate determined;
(c) Recompute the fair value of biological assets; and
(d) Verify expected output with subsequent extractions supporting documents.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Group and of the Company are responsible for the other information. The other information comprises the Management Discussion and Analysis, Audit Committee Report, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control, Sustainability Report and Directors' Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified and, in doing so, consider whether the information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS'REPORT
TO THE MEMBERS OF BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(continued)

Responsibilities of the Directors for the Financial Statements

The Directors of the Group and of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine are necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

INDEPENDENT AUDITORS'REPORT
TO THE MEMBERS OF BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
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(continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS'REPORT
TO THE MEMBERS OF BLD PLANTATION BHD.
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(continued)

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

PKF	NGU SIOW PING
AF 0911	03033/11/2021 J
CHARTERED ACCOUNTANTS	CHARTERED ACCOUNTANT

Kuala Lumpur

30 August 2021

BLD PLANTATION BHD.
Registration No.: 200101026441 (562199-A)
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

		Group		Company	
		2021	2020	2021	2020
	Note	RM	RM	RM	RM
Revenue	3	1,898,641,364	1,927,119,171	3,503,327	5,993,506
Cost of sales		(1,749,735,237)	(1,857,277,594)	-	-
Gross profit		148,906,127	69,841,577	3,503,327	5,993,506
Other operating income	5	15,566,111	9,357,195	-	-
Selling expenses		(44,097,172)	(39,237,296)	-	-
Administrative expenses		(22,400,127)	(16,372,382)	(2,870,490)	(3,184,695)
Other operating expenses		(730,358)	(4,730,564)	-	-
Profit from operations		97,244,581	18,858,530	632,837	2,808,811
Finance cost	6	(8,026,362)	(10,255,207)	(245,406)	(353,226)
Profit before tax	7	89,218,219	8,603,323	387,431	2,455,585
Tax expense	8	(22,689,068)	(3,296,364)	(160,582)	(641,173)
Total comprehensive income for the financial year		66,529,151	5,306,959	226,849	1,814,412
Total comprehensive income attributable to:					
Owners of the parent		65,284,569	5,044,914		
Non-controlling interests		1,244,582	262,045		
		66,529,151	5,306,959		
Basic earning attributable to owners of the parent per ordinary share (sen)	9	69.82	5.40		

The accompanying notes form an integral part of the financial statements.

BLD PLANTATION BHD.
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STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
ASSETS					
Non-current assets					
Property, plant and equipment	11	585,200,420	581,131,041	377,627	452,785
Right-of-use assets	12	121,760,468	125,457,867	720,148	49,320
Deferred tax assets	13	-	6,063,400	-	-
Investment in subsidiaries	14	-	-	132,542,959	132,542,959
Investment in preference shares	15	-	-	48,688,000	-
		706,960,888	712,652,308	182,328,734	133,045,064
Current assets					
Inventories	16	134,083,590	154,312,172	-	-
Biological assets	17	21,746,471	13,898,071	-	-
Trade and other receivables	18	86,492,794	101,158,618	2,242,668	62,980,309
Prepaid operating expenses		685,816	1,274,989	-	3,130
Tax recoverable		8,283,926	7,023,783	68,840	-
Short-term deposits with licensed banks	19	5,000,000	25,000,000	-	25,000,000
Cash and bank balances		265,550,349	119,004,682	37,493,000	173,107
		521,842,946	421,672,315	39,804,508	88,156,546
TOTAL ASSETS		1,228,803,834	1,134,324,623	222,133,242	221,201,610
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	20	173,180,555	173,180,555	173,180,555	173,180,555
Retained earnings	21	460,305,085	395,020,516	22,936,278	22,709,429
		633,485,640	568,201,071	196,116,833	195,889,984
Non-controlling interests		70,651	(1,173,931)	-	-
Total equity		633,556,291	567,027,140	196,116,833	195,889,984

The accompanying notes form an integral part of the financial statements.

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STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021 (CONTINUED)

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Non-current liabilities					
Borrowings	22	104,510,364	115,352,726	-	-
Lease liabilities	23	824,202	581,522	407,901	-
Deferred tax liabilities	13	87,518,707	72,896,758	-	600
		192,853,273	188,831,006	407,901	600
Current liabilities					
Trade and other payables	24	118,447,015	126,718,787	279,269	180,412
Borrowings	22	279,293,636	246,668,567	25,000,000	25,000,000
Lease liabilities	23	785,352	396,731	329,239	52,535
Taxation		85,000	78,079	-	78,079
Derivative financial instruments	25	3,783,267	4,604,313	-	-
		402,394,270	378,466,477	25,608,508	25,311,026
Total liabilities		595,247,543	567,297,483	26,016,409	25,311,626
TOTAL EQUITY AND LIABILITIES		1,228,803,834	1,134,324,623	222,133,242	221,201,610

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	← Attributable to the owners of the parent →				
	Non-distributable	Distributable			
Group	Share capital RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
At 1 April 2019	173,180,555	389,975,602	563,156,157	(1,435,976)	561,720,181
Total comprehensive income for the financial year	-	5,044,914	5,044,914	262,045	5,306,959
At 31 March 2020	173,180,555	395,020,516	568,201,071	(1,173,931)	567,027,140
Total comprehensive income for the financial year	-	65,284,569	65,284,569	1,244,582	66,529,151
At 31 March 2021	173,180,555	460,305,085	633,485,640	70,651	633,556,291

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

Company	Share capital RM	Retained earnings RM	Total equity RM
At 1 April 2019	173,180,555	20,895,017	194,075,572
Total comprehensive income for the financial year	-	1,814,412	1,814,412
At 31 March 2020	173,180,555	22,709,429	195,889,984
Total comprehensive income for the financial year	-	226,849	226,849
At 31 March 2021	173,180,555	22,936,278	196,116,833

The accompanying notes form an integral part of the financial statements.

BLD PLANTATION BHD.
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Cash flows from/(used in) operating activities					
Profit before tax		89,218,219	8,603,323	387,431	2,455,585
Adjustments for:					
Depreciation of property, plant and equipment		47,577,416	46,891,408	76,666	82,951
Depreciation of right-of-use assets		4,050,112	3,883,600	326,311	295,920
Interest income		(2,853,754)	(3,799,181)	(1,262,077)	(5,057,306)
Interest expense		7,929,955	10,208,695	203,979	343,589
Gain on disposal of right-of-use assets		(94,768)	-	-	-
Impairment loss on right-of-use assets		1,006,009	-	-	-
Fair value gain on biological assets		(7,848,400)	(4,380,130)	-	-
(Gain)/Loss on disposal of property, plant and equipment		(3,903,850)	(40,118)	-	228
Interest on lease liabilities		96,407	46,512	41,427	9,637
Gross dividend income		-	-	(1,291,000)	-
Net fair value (gain)/loss on derivative		(821,046)	4,438,029	-	-
Unrealised gain on foreign exchange		(2,137,367)	(1,146,015)	-	-
Operating profit/(loss) before working capital changes		132,218,933	64,706,123	(1,517,263)	(1,869,396)
Decrease/(Increase) in inventories		20,228,582	(12,804,881)	-	-
Decrease/(Increase) in trade and other receivables		15,110,383	(21,604,396)	60,737,641	63,238,939
Decrease in prepaid operating expenses		589,172	97,277	3,130	2,408
(Decrease)/Increase in payables		(8,271,771)	36,018,068	98,857	(309,515)
Cash generated from operations		159,875,299	66,412,191	59,322,365	61,062,436

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021(CONTINUED)

		Group		Company	
		2021	2020	2021	2020
	Note	RM	RM	RM	RM
Cash generated from operations		159,875,299	66,412,191	59,322,365	61,062,436
Income tax (paid)/ refunded		(3,256,941)	3,016,359	(308,101)	(211,401)
Interest received		2,853,754	3,799,181	1,262,077	5,057,306
Net cash from operating activities		159,472,112	73,227,731	60,276,341	65,908,341
Cash flows from/(used in) investing activities					
Proceeds from disposal of property, plant and equipment		5,133,408	318,851	-	-
Proceeds from disposal of right-of-use assets		120,251	-	-	-
Dividend received		-	-	1,291,000	-
Subscription of preference shares		-	-	(48,688,000)	-
Investment in subsidiary company		-	-	-	(50,000,000)
Acquisition of property, plant and equipment		(50,025,941)	(88,700,367)	(1,508)	(39,589)
Net cash used in investing activities		(44,772,282)	(88,381,516)	(47,398,508)	(50,039,589)

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Cash flows (used in)/from financing activities					
Interest paid - others		(10,780,367)	(14,907,375)	(203,979)	(343,589)
Interest paid - lease liabilities		(96,407)	(46,512)	(41,427)	(9,637)
Repayment of lease liabilities		(752,904)	(750,710)	(312,534)	(307,260)
Net changes in bankers' acceptances		77,683,000	(34,823,000)	-	-
Net changes in onshore foreign currency loans		(28,792,939)	(3,204,974)	-	-
Proceeds from revolving credits		115,000,000	253,000,000	25,000,000	50,000,000
Repayment of revolving credits		(136,000,000)	(220,000,000)	(25,000,000)	(43,000,000)
Proceeds from term loans		8,132,640	30,503,840	-	-
Repayment of term loans		(11,459,862)	(14,568,503)	-	-
Net cash from/(used in) financing activities		12,933,161	(4,797,234)	(557,940)	6,339,514
Net increase/(decrease) in cash and cash equivalents		127,632,991	(19,951,019)	12,319,893	22,208,266
Effects on foreign exchange translation		1,692,808	2,497,542	-	-
Cash and cash equivalents at 1 April 2020/2019		141,224,550	158,678,027	25,173,107	2,964,841
Cash and cash equivalents at 31 March	(i)	270,550,349	141,224,550	37,493,000	25,173,107

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

Notes:

(i) Cash and cash equivalents comprise the following:

	Group		Company	
	2021 **RM**	**2020** **RM**	**2021** **RM**	**2020** **RM**
Cash and bank balances	265,550,349	119,004,682	37,493,000	173,107
Short-term deposits with licensed banks	5,000,000	25,000,000	-	25,000,000
Bank overdrafts (Note 22(c))	-	(2,780,132)	-	-
	270,550,349	141,224,550	37,493,000	25,173,107

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

Notes: (continued)

(ii) Reconciliation of liabilities arising from financing activities:

Group	1 April 2020/2019 RM	Initial application of MFRS 16 RM	Addition of right-of-use assets RM	Cash flows RM	31 March RM
2021					
Lease liabilities	978,253	-	1,384,205	(752,904)	1,609,554
Bankers' acceptances	92,610,000	-	-	77,683,000	170,293,000
Revolving credits	110,000,000	-	-	(21,000,000)	89,000,000
Term loans	127,838,222	-	-	(3,327,222)	124,511,000
Onshore foreign currency loans	28,792,939	-	-	(28,792,939)	-
2020					
Lease liabilities	-	984,668	744,295	(750,710)	978,253
Bankers' acceptances	127,433,000	-	-	(34,823,000)	92,610,000
Revolving credits	77,000,000	-	-	33,000,000	110,000,000
Term loans	111,902,885	-	-	15,935,337	127,838,222
Onshore foreign currency loans	31,997,913	-	-	(3,204,974)	28,792,939

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

Notes: (continued)

(ii) Reconciliation of liabilities arising from financing activities: (continued)

Company	1 April 2020/2019 RM	Initial application of MFRS 16 RM	Addition of right-of-use assets RM	Cash flows RM	31 March RM
2021					
Lease liabilities	52,535	-	997,139	(312,534)	737,140
Revolving credit	25,000,000	-	-	-	25,000,000
2020					
Lease liabilities	-	359,795	-	(307,260)	52,535
Revolving credit	18,000,000	-	-	7,000,000	25,000,000

The accompanying notes form an integral part of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2021

1. Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as going concerns which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

The financial statements are presented in the Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

(a) Standards issued and effective

On 1 April 2020, the Group and the Company have adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2020:

Description
- Amendments to MFRS 3, *Business Combinations*: Definition of Business
- Amendments to MFRS 4, *Insurance Contracts*: Extension of the Temporary Exemption from Applying MFRS 9
- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement* and MFRS 7, *Financial Instruments: Disclosures*: Interest Rate Benchmark Reform
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Material
- Amendments from other Standards:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 3, *Business Combinations*
  - Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 15, Revenue *from Contracts with Customers*
  - Amendments to MFRS 101, *Presentation of Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
  - Amendments to MFRS 110, *Events after the Reporting Period*
  - Amendments to MFRS 116, *Property, Plant and Equipment*
  - Amendments to MFRS 119, *Employee Benefits*
  - Amendments to MFRS 128, *Investments in Associates and Joint Ventures*
  - Amendments to MFRS 132, *Financial instruments: Presentation*
  - Amendments to MFRS 134, *Interim Financial Reporting*

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1. Basis of preparation (continued)

(a) Standards issued and effective (continued)

On 1 April 2020, the Group and the Company have adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2020: (continued)

Description

- Amendments to MFRS 136, Impairment of Assets
- Amendments to MFRS 137, Provision, Contingent Liabilities and Contingent Assets
- Amendments to MFRS 138, Intangible Assets
- Amendments to MFRS 140, Investment Property

• Amendments to References to the Conceptual Framework in MFRS Standards

Adoption of the above accounting standards, amendments and interpretation did not have any material impact on the financial performance and position of the Group and of the Company.

(b) Standards issued but not yet effective

The Group and the Company have not adopted the following accounting standards, amendments and interpretations that have been issued but not yet effective:

Description	**Effective for annual period beginning on or after**
• Amendments to MFRS 16 *Leases: Covid-19-Related Rent Concessions*	1 June 2020
• Amendments to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement*, MFRS 7 *Financial Instruments: Disclosures*, MFRS 4 *Insurance Contracts* and MFRS 16 *Leases: Interest Rate Benchmark Reform – Phase 2*	1 January 2021
• Amendments to MFRS 16, *Leases*: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
• Amendments to MFRS 3, *Business Combinations*: Reference to the Conceptual Framework	1 January 2022

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NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2021

1. Basis of preparation (continued)

(b) Standards issued but not yet effective (continued)

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective: (continued)

Description	**Effective for annual period beginning on or after**
• Amendments to MFRS 116 *Property, Plant and Equipment: Property, Plant and Equipment – Proceeds before Intended Use*	1 January 2022
• Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract*	1 January 2022
• Annual improvements to MFRSs 2018 - 2020 cycle	
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022
- Amendments to MFRS 9, Financial Instruments	1 January 2022
- Amendments to MFRS 16, Leases	1 January 2022
- Amendments to MFRS 141, Agriculture	1 January 2022
• MFRS 17, *Insurance Contracts*	1 January 2023
• Amendments to MFRS 17, *Insurance Contracts*	1 January 2023
• Amendments to MFRS 101, *Presentation of Financial Statements*: Classifications of Liabilities as Current or Non-current	1 January 2023
• Amendments to MFRS 101, *Presentation of Financial Statements*: Disclosure of Accounting Policies	1 January 2023
• Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
• Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128 *Investment in Associate and Joint Ventures*: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred

The initial application of the accounting standards, amendments and interpretations are not expected to have any material impact to the financial statements of the Group and the Company.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise as indicated in the significant accounting policies.

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NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2021

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

(i) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(ii) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for property, plant and equipment and amortisation of intellectual property are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of its property, plant and equipment and intellectual property will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

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1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(iv) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

(v) Provision for expected credit losses ("ECLs") of trade receivables

The Group and the Company use a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on the payment profiles of sales over a period of 36 months before the end of the reporting period and the corresponding historical credit losses experienced within this period.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting period.

(vi) Deferred Tax Assets and Liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the end of the reporting year. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the statements of financial position date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which actual realisation and settlement occurs.

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1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(vii) Provision for Liabilities

Provision for liabilities are based on management's judgement on the likelihood of liabilities crystallising and best estimates on the amounts required to settle the liabilities arising from legal and constructive obligations. A change in circumstances which could cause estimates to change include changes in market trends and conditions, regulatory environment, employees' behaviours and other factors that may change the amount of provisions in the statement of financial position. The difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which the change occurs.

(viii) Leases

(a) Lease term

In determining the lease term, management considers all fact and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The extension options in leases for building have been included in the lease liability in consideration of the costs and business disruption required to replace the leased assets.

(b) Incremental borrowing rate of leases

In determining the incremental borrowing rate, the Group and the Company use recent third-party financing received by the Group and the Company as a starting point and makes adjustments specific to the lease, for e.g. term and security.

(ix) Fair Value of Biological Assets

To arrive at the fair value of oil palm fruits, the management considered the oil content of the fruits and derived the assumption that the net cash flow to be generated from fruits prior to more than thirty (30) days to harvest to be negligible, therefore quantity of fruits on bearer plants of up to thirty (30) days prior to harvest was used for valuation purpose. The value of the fruits was estimated to be approximately 48% to 52% based on oil extraction rate and kernel extraction rate of the fruits from tests. Costs to sell, which transport cost, is deducted in arriving at the net cash flow to be generated.

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2. Summary of significant accounting policies

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group considers it has de-facto power over an investee when, despite not having the majority of voting rights, it has the current ability in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders to direct the activities of the investee that significantly affect the investee's return. Potential voting rights are considered when assessing control only when such rights are substantive.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations are accounted for using the acquisition method on the acquisition date. The consideration transferred includes the fair value of assets transferred, equity interest issued by the Group and liabilities assumed. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are recognised in the profit or loss as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

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2. Summary of significant accounting policies (continued)

(a) Basis of consolidation (continued)

(i) Subsidiaries (continued)

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Acquisitions of business are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured at fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate shares of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit and loss and the other comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so caused the non-controlling interests to have a deficit balance.

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2. Summary of significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iv) Transactions with non-controlling interests

Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners.

On acquisition of non-controlling interest, the difference between the consideration and the Group's share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

(v) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates and jointly controlled entities. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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2. Summary of significant accounting policies (continued)

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Group and of the Company and its subsidiaries are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's and of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group and of the Company on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

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2. Summary of significant accounting policies (continued)

(c) Revenue and other income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for these goods or services.

(i) Sales of goods – plantation produce

The Group harvests and sells plantation produce. Revenue is recognised at the point in time when goods are delivered. Payment of the transaction price is due within a range from 2 to 90 days.

(ii) Management fees

The Company provides management services to its related companies. Revenue is recognised at the point in time when the Company rendered the services to its related companies.

(iii) Interest income

Interest income is recognised on an accrual basis, based on effective yield on the investment.

(iv) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.

(v) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(d) Employee benefits expense

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

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2. Summary of significant accounting policies (continued)

(d) Employee benefits expense (continued)

(ii) Defined contribution plans

The Group's and the Company's contribution to defined contribution plans are charged to the profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Company have no further liability in respect of the defined contribution plans.

(e) Borrowing costs

All interest and other costs incurred in connection with borrowings are expensed as incurred as part of finance costs. Finance costs comprise interest paid and payable on borrowings. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

(f) Tax expense

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

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2. Summary of significant accounting policies (continued)

(f) Tax expense (continued)

(ii) Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination.

(g) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balances. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

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2. Summary of significant accounting policies (continued)

(g) Impairment (continued)

(i) Financial assets (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, which 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12-months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance amount.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

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2. Summary of significant accounting policies (continued)

(g) Impairment (continued)

(ii) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGUs")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

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2. Summary of significant accounting policies (continued)

(h) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Leasehold lands are depreciated over their lease terms.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Depreciation of other property, plant and equipment is provided for on a straight-line basis, at the following annual rates:

Buildings	10 to 50 years
Furniture, fittings and equipment	1 to 10 years
Plant and machinery	2 to 15 years
Motor vehicles	5 years
Ranch	10 years
Renovation	10 years
Bearer plants	22 years

Depreciation commences when the bearer plants mature or when the assets under construction are ready for their intended use.

The carrying amount of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

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2. Summary of significant accounting policies (continued)

(i) Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes), are measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Leasehold lands are depreciated over their lease terms.

Depreciation on buildings is charged to profit or loss on a straight-line basis over the estimated useful lives of 50 years.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Any gain or loss on the retirement or disposal of an investment property is recognised in profit of loss in the year of retirement or disposal.

The estimated useful lives, residual values and depreciation method of investment properties are reviewed at each year end, with the effect of any changes in estimates accounted for prospectively.

(j) Bearer plants

Oil palm trees are classified as bearer plants. Expenditure that are directly related to the planting and upkeep of oil palm trees are capitalised until the trees reach maturity. Upon maturity, maintenance and upkeep of oil palm trees are expensed off to profit or loss. The subsequent measurement of bearer plants is accounted for in accordance with Note 2(h) to the financial statements.

(k) Biological assets

Biological assets comprised produce growing on bearer plants. Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised net in profit or loss. Fair value is determined based on the present value of expected net cash flows from biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of biological assets.

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2. Summary of significant accounting policies (continued)

(l) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when, and only when, the Group and the Company become party to the contractual provision of the instrument.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Subsequent measurement

The Group and the Company classify their financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group and the Company reclassified debt investments when and only when its business model for managing those asset changes.

(a) Amortised cost

Financial asset is measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income from financial asset measured at amortised cost is recognised in profit or loss using the effective interest method. Any gain or loss on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gain and losses.

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2. Summary of significant accounting policies (continued)

(l) Financial assets(continued)

(ii) Subsequent measurement(continued)

(b) Fair value through other comprehensive income ("FVOCI") – debt investment

Debt investment, which is not designated as at fair value through profit or loss, is measured at FVOCI when the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and its contractual terms give rise on specified dates to cash flows that are solely payments to principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income calculated using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss. Impairment expenses are presented as a separate line item in the statement of profit or loss.

(c) FVOCI – equity investment

Equity investment is measured at FVOCI when the Group and the Company made an irrevocable election to present changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Dividends from such investments continue to be recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

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2. Summary of significant accounting policies (continued)

(l) Financial assets(continued)

(ii) Subsequent measurement(continued)

(d) Fair value through profit or loss ("FVTPL")

All financial assets not measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument).

Financial assets categorised as FVTPL are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

(iii) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risk and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

Any cumulative gain or loss arise from fair value changes in equity investment that had been recognised in other comprehensive income is transferred within equity when the equity investment is derecognised whereas any cumulative gain or loss arise from fair value changes in debt investment that had been recognised in other comprehensive income is transferred to profit or loss when the debt investment is derecognised.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with licensed banks at original maturities not exceeding three months, short term and other highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

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2. Summary of significant accounting policies (continued)

(n) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group and the Company become party to the contractual provision of the instrument.

At initial recognition, the Group and the Company measure a financial liability at its fair value plus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue of the financial liability.

(ii) Subsequent measurement

The categories of financial liabilities at initial recognition are as follows:

(a) Amortised cost

All financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities where it is designated as FVTPL.

Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(b) Fair value through profit or loss ("FVTPL")

Financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition are measured at FVTPL.

Financial liabilities may be designated upon initial recognition at FVTPL only if the criteria in MFRS 9 *Financial Instruments (IFRS 9 as issued by IASB in July 2014)* are satisfied. The Company has not designated any financial liability as at FVTPL.

Financial liabilities categorised at FVTPL are subsequently carried at fair value with the gain or losses recognised in profit or loss.

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2. Summary of significant accounting policies (continued)

(n) Financial liabilities (continued)

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liability assumed, is recognised in profit or loss.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group and the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(p) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised from equity in the period in which they are declared.

(q) Operating segments

For management purposes, the Group is organised into operating segments based on their products and services. The management of the Company regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in the Note 31 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

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2. Summary of significant accounting policies (continued)

(r) Inventories

Inventories are stated at lower of cost and net realisable value, other than for certain contracted finished goods, which are stated at net realisable value. Cost incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials and consumables: costs of purchase on a weighted average cost formula or specific identification basis.
- Finished goods and work-in-progress: costs of raw materials, direct labour, other direct costs and appropriate proportions of manufacturing overheads based on normal operating capacity.
- Livestock: purchase price and estimated natural increase plus incidentals.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(s) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability outflow of economic benefits is remote.

(ii) Contingent assets

Where an inflow of economic benefits of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is disclosed as a contingent asset. When the inflow of benefit is virtually certain, then the related asset is recognised.

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2. Summary of significant accounting policies (continued)

(t) Leases

(i) Initial recognition and measurement

As a lessee

The Group and the Company recognised right-of-use asset and lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises as follows:
- the initial amount of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's and the Company's incremental borrowing rate.

Variable lease payments that do not depends on an index or a rate are excluded from lease liability and right-of-use asset and recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

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2. Summary of significant accounting policies (continued)

(t) Leases (continued)

(i) Initial recognition and measurement (continued)

As a lessor

Leases for which the Group and the Company is a lessor are classified as finance or operating leases.

Leases which transfer substantially all of the risks and rewards incidental to ownership of the underlying asset is a finance lease; if not, then it is an operating lease.

The Group and the Company recognise assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. Initial direct costs, other than those incurred by manufacturer or dealer lessors, are included in the initial measurement of the investment in the lease.

When the Group and the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right- of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

(ii) Subsequent measurement

As a lessee

The right-of-use asset is subsequently depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset to the Group and the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Group and the Company will exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses determined in accordance with Note 2(g)(ii) to the financial statements, if any, and adjusted for certain remeasurements of the lease liability.

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2. Summary of significant accounting policies (continued)

(t) Leases (continued)

(ii) Subsequent measurement (continued)

As a lessee (continued)

The carrying amount of lease liability is subsequently increased by interest on the lease liability and reduced by lease payments made. It is remeasured when there is a change in lease term, assessment of an option to purchase the underlying asset, future lease payments arising from the change in an index or rate, the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee or in-substance fixed lease payments.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

Finance income from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease whereas lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term.

(iii) Operating Leases – as Lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings element in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

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2. Summary of significant accounting policies (continued)

(u) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

3. Revenue

The revenue of the Group and of the Company consists of the following:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Revenue from contracts with customers:				
Sale of plantation produce	1,898,553,476	1,926,950,876	-	-
Other source of income:				
Interest income	80,321	61,736	1,262,077	5,057,306
Management fee	-	-	950,250	936,200
Dividend income	-	-	1,291,000	-
Rental income	7,567	106,559	-	-
	1,898,641,364	1,927,119,171	3,503,327	5,993,506

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4. Employee benefits expense

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Salaries and other emoluments	120,528,070	109,338,913	1,405,715	1,295,622
Defined contribution plan	7,681,446	6,326,640	109,183	97,395
	128,209,516	115,665,553	1,514,898	1,393,017
Less: Amount capitalised in bearer plants	(8,198,537)	(6,981,648)	-	-
	120,010,979	108,683,905	1,514,898	1,393,017
Directors' remuneration:				
Executive:				
Salaries and other emoluments	2,835,469	985,611	62,696	62,704
Fees	203,000	221,000	113,400	113,400
	3,038,469	1,206,611	176,096	176,104
Non-executive:				
Other emoluments	1,135,253	15,200	-	-
Fees	241,900	212,635	115,500	110,235
	1,377,153	227,835	115,500	110,235
	4,415,622	1,434,446	291,596	286,339

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5. Other income

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Interest income	2,773,433	3,737,445	-	-
Rental income	102,500	91,858	-	-
Net gain on derivative	821,046	-	-	-
Net gain on foreign exchange	-	1,105,735	-	-
Fair value gain on biological assets	7,848,400	4,380,130	-	-
Gain on disposal of property, plant and equipment	3,903,850	40,442	-	-
Gain on disposal of right of-use assets	94,768	-	-	-
Others	22,114	1,585	-	-
	15,566,111	9,357,195	-	-

6. Finance costs

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Interest expense on:				
- bank overdrafts	61,559	206,225	-	-
- revolving credit	3,048,899	3,669,394	203,979	343,589
- banker acceptance	2,393,176	3,743,891	-	-
- onshore foreign currency loan	65,047	871,794	-	-
- term loans	2,361,274	1,717,391	-	-
- lease liabilities	96,407	46,512	41,427	9,637
	8,026,362	10,255,207	245,406	353,226

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7. Profit before tax

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax is arrived at after charging/(crediting):				
Auditors' remuneration:				
- current year	252,500	252,500	87,000	87,000
- other service	10,000	10,000	10,000	10,000
Employee benefits expense (Note 4)	120,010,979	108,683,905	1,514,898	1,393,017
Finance cost (Note 6)	8,026,362	10,255,207	245,406	353,226
Depreciation of property, plant and equipment	47,577,416	46,891,408	76,666	82,951
Depreciation of right-of-use assets	4,050,112	3,883,600	326,311	295,920
(Gain)/Loss on disposal of property, plant and equipment	(3,903,850)	(40,118)	-	228
Gain on disposal on right-of-use assets	(94,768)	-	-	-
Dividend income	-	-	(1,291,000)	-
Rental expenses	490,571	797,222	353,961	316,897
Interest income	(2,853,754)	(3,799,181)	(1,262,077)	(5,057,306)
Rental received	(102,500)	(91,858)	-	-
Foreign exchange loss - Realised	2,576,148	40,280	-	-
Foreign exchange gain - Unrealised	(2,137,367)	(1,146,015)	-	-
Fair value (gain)/loss on derivative	(821,046)	4,438,029	-	-
Fair value gain on biological assets	(7,848,400)	(4,380,130)	-	-
Impairment of right-of-use assets	1,006,009	-	-	-

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8. Tax expense

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Current tax				
- current year	1,950,000	1,014,756	102,000	678,916
- under/(over)provision in prior year	53,719	(42,006)	59,182	(32,236)
	2,003,719	972,750	161,182	646,680
Deferred tax (Note 13)				
- current year	20,668,740	2,567,590	(2,274)	67
- under/(over)provision in prior year	16,609	(243,976)	1,674	(5,574)
	20,685,349	2,323,614	(600)	(5,507)
Income tax recognised in profit or loss	22,689,068	3,296,364	160,582	641,173

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8. Tax expense (continued)

Reconciliation of tax expense

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Profit before tax	89,218,219	8,603,323	387,431	2,455,585
Tax calculated at statutory tax rate of 24%	21,412,373	2,064,798	92,983	589,340
Non-taxable income	(503,326)	-	(88,635)	-
Non-deductible expenses	1,709,693	1,517,548	95,378	89,643
	22,618,740	3,582,346	99,726	678,983
Under/(Over)provision of tax in prior year	53,719	(42,006)	59,182	(32,236)
Under/(Over)provision of deferred tax in prior year	16,609	(243,976)	1,674	(5,574)
	22,689,068	3,296,364	160,582	641,173

The Group has unutilised tax losses and unabsorbed capital allowances, unabsorbed reinvestment allowances and unabsorbed investment tax allowances amounting to approximately RM15,977,626 (2020: RM22,537,233) and RM185,099,858 (2020: RM241,478,208) respectively for set off against future taxable profits.

Unutilised tax losses can be carried forward for a period of 7 years of assessment (“YA”) to set off against future taxable profits as follows:

	RM	**Utilised up to**
YA 2018 and before	5,224,537	YA 2025
YA 2019	5,599,636	YA 2026
YA 2020	5,153,453	YA 2027

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9. Earnings per share

The basic earnings per share amount is calculated by dividing the profit for the year attributable to ordinary shareholders by the number of ordinary shares in issue during the financial year.

	Group	
	2021 RM	**2020 RM**
Profit attributable to owners of the parent	65,284,569	5,044,914
Number of ordinary shares in issue	93,500,000	93,500,000
Basic earning attributable to owners of the parent per ordinary share (sen)	69.82	5.40

There are no dilutive potential ordinary shares during the current and previous financial year.

10. Dividends

Proposed but not recognised as a liability:

The following dividend will be proposed for shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2022.

	Sen per share
First and final tax exempt (single-tier)	3.00

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11. Property, plant and equipment

	Buildings RM	Capital work-in-progress RM	Furniture fittings, equipment and renovation RM	Plant and machinery RM	Motor vehicles RM	Ranch RM	Bearer plants RM	Total RM
Group								
Cost								
At 1 April 2020	120,666,220	8,246,913	17,519,802	313,382,420	21,954,638	94,691	770,974,413	1,252,839,097
Additions	-	11,165,704	317,541	2,195,755	25,830	-	39,833,301	53,538,131
Reclassification	5,315,404	(13,028,062)	(550)	7,713,208	-	-	-	-
Disposals	(237,216)	-	(24,529)	(837,500)	(1,005,481)	-	(1,573,296)	(3,678,022)
At 31 March 2021	125,744,408	6,384,555	17,812,264	322,453,883	20,974,987	94,691	809,234,418	1,302,699,206
Accumulated depreciation								
At 1 April 2020	50,731,002	-	14,748,112	221,983,712	18,500,236	79,550	365,665,444	671,708,056
Charge for the financial year	3,996,789	-	744,192	23,006,438	1,304,451	3,477	18,522,069	47,577,416
Capitalised in bearer plants	314,019	-	24,200	227,009	80,760	-	-	645,988
Disposals	(237,213)	-	(10,685)	(652,577)	(799,186)	-	(733,013)	(2,432,674)
At 31 March 2021	54,804,597	-	15,505,819	244,564,582	19,086,261	83,027	383,454,500	717,498,786
Carrying amount								
At 31 March 2021	70,939,811	6,384,555	2,306,445	77,889,301	1,888,726	11,664	425,779,918	585,200,420

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11. Property, plant and equipment (continued)

	Leasehold land RM	Buildings RM	Capital work-in-progress RM	Furniture fittings, equipment and renovation RM	Plant and machinery RM	Motor vehicles RM	Ranch RM	Bearer plants RM	Total RM
Group									
Cost									
At 1 April 2019	177,491,774	118,087,591	4,487,029	17,659,396	309,050,320	22,207,395	94,691	688,669,084	1,337,747,280
Additions	-	3,300	8,204,405	259,735	2,673,180	262,040	-	82,305,329	93,707,989
Reclassification	-	2,575,329	(4,444,521)	(386,170)	2,255,362	-	-	-	-
Disposals	-	-	-	(13,159)	(596,442)	(514,797)	-	-	(1,124,398)
Initial application of MFRS 16	(177,491,774)	-	-	-	-	-	-	-	(177,491,774)
At 31 March 2020	-	120,666,220	8,246,913	17,519,802	313,382,420	21,954,638	94,691	770,974,413	1,252,839,097
Accumulated depreciation									
At 1 April 2019	49,812,810	46,658,621	-	13,952,653	201,366,000	17,096,919	75,900	346,203,278	675,166,181
Charge for the financial year	-	4,036,982	-	796,972	20,967,399	1,624,239	3,650	19,462,166	46,891,408
Capitalised in bearer plants	-	35,399	-	10,093	135,051	92,797	-	-	273,340
Disposals	-	-	-	(11,606)	(484,738)	(313,719)	-	-	(810,063)
Initial application of MFRS 16	(49,812,810)	-	-	-	-	-	-	-	(49,812,810)
At 31 March 2020	-	50,731,002	-	14,748,112	221,983,712	18,500,236	79,550	365,665,444	671,708,056
Carrying amount									
At 31 March 2020	-	69,935,218	8,246,913	2,771,690	91,398,708	3,454,402	15,141	405,308,969	581,131,041

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11. Property, plant and equipment (continued)

	Motor vehicles RM	Furniture and fittings RM	Renovation RM	Total RM
Company				
Cost				
At 1 April 2020	595,745	353,165	714,260	1,663,170
Additions	-	-	1,508	1,508
Reclassification	-	(28,648)	28,648	-
At 31 March 2021	595,745	324,517	744,416	1,664,678
Accumulated depreciation				
At 1 April 2020	559,236	301,499	349,650	1,210,385
Charge for the financial year	20,861	5,373	50,432	76,666
At 31 March 2021	580,097	306,872	400,082	1,287,051
Carrying amount				
At 31 March 2021	15,648	17,645	344,334	377,627
Cost				
At 1 April 2019	595,745	316,626	714,260	1,626,631
Additions	-	39,589	-	39,589
Disposals	-	(3,050)	-	(3,050)
At 31 March 2020	595,745	353,165	714,260	1,663,170
Accumulated depreciation				
At 1 April 2019	538,375	292,648	299,233	1,130,256
Charge for the financial year	20,861	11,673	50,417	82,951
Disposals	-	(2,822)	-	(2,822)
At 31 March 2020	559,236	301,499	349,650	1,210,385
Carrying amount				
At 31 March 2020	36,509	51,666	364,610	452,785

(a) The buildings and plant and machinery with a total carrying amount amounted to RM28,247,450 and RM42,398,452 (2020: RM39,496,586 and RM64,457,866) respectively, are pledged for banking facilities granted to certain subsidiaries as disclosed in Note 14 to the financial statements.

(b) Included in the bearer plants are interest and employee benefits expense of RM2,850,412 and RM8,198,537 (2020: RM4,698,680 and RM6,981,648) incurred and capitalised during the financial year.

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12. Right-of-use assets

Group	Leasehold lands RM	Office RM	Total RM
2021			
Carrying amount			
At 1 April 2020	125,194,892	262,975	125,457,867
Additions	-	1,384,205	1,384,205
Disposals	(25,483)	-	(25,483)
Depreciation for the financial year	(3,436,399)	(613,713)	(4,050,112)
Impairment loss	(1,006,009)	-	(1,006,009)
At 31 March 2021	120,727,001	1,033,467	121,760,468
2020			
Carrying amount			
At 1 April 2019	-	-	-
Initial application of MFRS 16	127,761,845	835,327	128,597,172
Additions	744,295	-	744,295
Depreciation for the financial year	(3,311,248)	(572,352)	(3,883,600)
At 31 March 2020	125,194,892	262,975	125,457,867

Company Office	2021 RM	2020 RM
Carrying amount		
At 1 April 2020/2019	49,320	-
Initial application of MFRS 16	-	345,240
Additions	997,139	-
Depreciation for the financial year	(326,311)	(295,920)
At 31 March	720,148	49,320

The Group and the Company lease land and offices. The contract term for offices ranges from 3 to 5 years that may come together with an extension options of renewal of contract which ranges from 3 to 5 years. The leasehold lands with carrying amount amounted to RM16,521,918 (2020: RM16,996,159) are pledged for banking facilities granted to certain subsidiaries as disclosed in Note 14 to the financial statements. Leasehold land consists of land with unexpired lease period ranging from 26-57 years (2020: 27-58 years).

The extension and termination options were exercisable only by the Group and of the Company and not by the respective lessor.

Impairment of Right-of-use assets

Included in the Right-of-use assets is a parcel of leasehold land, of a subsidiary company, that is intended to use for oil palm plantation. Given the loss reported of the said subsidiary during the year which indicate the existence of impairment, the Directors have estimated that the recoverable amount of land is lower that its carrying value. The recoverable amount was estimated based on its value-in-use, at which the Directors have valued at RM1, as there is no plan to commence planting on the land as of to date. Therefore, impairment of RM1,006,009 has been adjusted during the current financial year.

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13. Deferred tax assets/(liabilities)

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
At 1 April 2020/2019	(66,833,358)	(64,509,745)	(600)	(6,107)
Recognised in profit or loss	(20,685,349)	(2,323,613)	600	5,507
At 31 March	(87,518,707)	(66,833,358)	-	(600)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current assets against current tax liabilities and when the deferred income taxes relate to the same tax authority. The net deferred tax assets and liabilities shown on the consolidated statement of financial position after appropriate offsetting are as follows:

	Group	
	2021 RM	**2020 RM**
Deferred tax assets, net	-	6,063,400
Deferred tax liabilities, net	(87,518,707)	(72,896,758)
	(87,518,707)	(66,833,358)

	Company	
	2021 RM	**2020 RM**
Deferred tax assets, net	-	-
Deferred tax liabilities, net	-	(600)
	-	(600)

Deferred tax assets and liabilities prior to offsetting are summarised as follows:

	Group	
	2021 RM	**2020 RM**
Deferred tax assets	51,889,250	64,239,679
Deferred tax liabilities	(139,407,957)	(131,073,037)
	(87,518,707)	(66,833,358)

	Company	
	2021 RM	**2020 RM**
Deferred tax assets	3,788	6,274
Deferred tax liabilities	(3,788)	(6,874)
	-	(600)

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13. Deferred tax assets/(liabilities) (continued)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group

	Other payables RM	Right-of-use assets RM	Unabsorbed reinvestment, investment tax, capital and agricultural allowances RM	Total RM
At 1 April 2019	-	15,949	57,340,803	57,356,752
Recognised in profit or loss	867,137	(7,113)	6,022,903	6,882,927
At 31 March 2020	867,137	8,836	63,363,706	64,239,679
Recognised in profit or loss	2,752,652	2,029	(15,105,110)	(12,350,429)
At 31 March 2021	3,619,789	10,865	48,258,596	51,889,250

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13. Deferred tax assets/(liabilities) (continued)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:(continued)

Deferred tax liabilities of the Group

	Other payables RM	Fair value on land and buildings RM	Fair value on biological assets RM	Accelerated capital allowances RM	Total RM
At 1 April 2019	(50,812)	(14,099,146)	(2,284,305)	(105,432,234)	(121,866,497)
Recognised in profit or loss	50,812	498,717	(1,051,232)	(8,704,837)	(9,206,540)
At 31 March 2020	-	(13,600,429)	(3,335,537)	(114,137,071)	(131,073,037)
Recognised in profit or loss	-	362,699	(1,883,616)	(6,814,003)	(8,334,920)
At 31 March 2021	-	(13,237,730)	(5,219,153)	(120,951,074)	(139,407,957)

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13. Deferred tax assets/(liabilities) (continued)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows: (continued)

Deferred tax assets of the Company

	Right-of-use assets RM	Unabsorbed capital allowances RM	Total RM
At 1 April 2019	3,493	-	3,493
Recognised in profit or loss	(2,721)	5,502	2,781
At 31 March 2020	772	5,502	6,274
Recognised in profit or loss	3,016	(5,502)	(2,486)
At 31 March 2021	3,788	-	3,788

Deferred tax liabilities of the Company

	Accelerated capital allowances RM
At 1 April 2019	(9,600)
Recognised in profit or loss	2,726
At 31 March 2020	(6,874)
Recognised in profit or loss	3,086
At 31 March 2021	(3,788)

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14. Investment in subsidiaries

	Company	
	2021	**2020**
Unquoted shares, at cost	**RM**	**RM**
At 1 April 2020/2019	132,542,959	82,542,959
Addition	-	50,000,000
At 31 March	132,542,959	132,542,959

All the subsidiary companies are incorporated in Malaysia and their details are as follows:

Name of subsidiaries	Percentage of equity held (%) 2021	2020	Principal activities
Bintulu Lumber Development Sdn. Bhd.	100	100	Cultivation of oil palm, processing of fresh fruit bunches and sales of related products.
Kirana Palm Oil Refinery Sdn. Bhd.	100	100	Operation of palm oil refinery and kernel crushing plant.
Indirect subsidiary, held through Bintulu Lumber Development Sdn. Bhd.:			
Grand Mutual Sdn. Bhd.	100	100	Cultivation of oil palm and stone quarry operation.
Niamas Istimewa Sdn. Bhd.	69.9	69.9	Cultivation of oil palm.
Rela Aman Sdn. Bhd.	80	80	Letting of property.
BLD Resources Sdn. Bhd.	100	100	Dormant (intended for oil palm plantation).
Easibright Sdn. Bhd.	100	100	Ceased operations.

All subsidiaries are audited by PKF Malaysia.

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15. Investment in preference shares

	Company 2021 RM
Unquoted preference shares, at cost	
At 1 April 2020	-
Addition	48,688,000
At 31 March	48,688,000

On 30 July 2020, Grand Mutual Sdn. Bhd. issued and allotted 4,868,800 cumulative redeemable convertible preference shares ("CRCPS") at an issue price of RM10 per share to BLD Plantation Bhd.. The maturity period of the CRCPS is 10 years from the date of allotment dated 30 July 2020.

The CRCPS are redeemable at par, in whole or part, for cash redeemable at maturity or any other date prior to maturity subject to mutual consent in writing, calculated as 100% of the Issue Price of the CRCPS, together with arrears or unpaid dividends up to the date of redemption. In the event that the CRCPS is to be converted to ordinary shares of the Company, the CRCPS shall be convertible into ordinary shares at the rate of one ordinary shares for one CRCPS.

The CRCPS issued in the name of the Investor and/or its nominee, trustee or custodian are not transferrable without the consent of the Company. The Board of Directors and/or the owner of the Company shall have sole discretion regarding the declaration or payment of any dividend on the CRCPS. No dividend or any part thereof shall become due or payable on any dividend date unless the Board has declared or resolved to distribute such dividend or part thereof with respect to that dividend date. The CRCPS shall carry the right to receive cumulative gross preferential dividend rate out of the distributable profits of the Company, at a dividend rate of 10 sen per CRCPS per annum.

The Investor shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending the general meetings of the Company. The Investor is not entitled to any voting rights or participation in any rights, allocations, and/or other distributions in the Company, except in the following circumstance:

(a) Where the dividend or part of the dividend on the CRCPS has been declared but remains unpaid for more than 6 months;
(b) On a proposal to increase or reduce the share capital, whether ordinary or preference shares;
(c) On a proposal for the disposal of the Company's assets, business and undertaking in excess of 25% of the net assets of the Company based on the last audited financial statements;
(d) Upon any resolution which varies the rights and privileges attaching to the CRCPS;
(e) Upon any resolution for the winding-up of the Company; and
(f) Other circumstances as may be provided under law and applicable to preferences and/or preference shareholders from time to time.

Each CRCPS shall rank above Ordinary Shares and all other classes of shares of the Company in liquidation. The payment obligations of the Company in respect of the CRCPS, save as may be provided otherwise by any mandatory provisions of applicable law, shall rank after all existing and future secured and unsecured obligations of the Company.

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16. Inventories

	Group 2021 RM	Group 2020 RM
At cost:		
Canteen goods	298,529	214,436
Livestock	1,537,149	1,417,858
Consumable stocks	7,910,434	2,744,100
Finished goods	76,406,413	35,972,423
Stone	105,340	8,166,375
Raw materials	3,880,617	-
	90,138,482	48,515,192
At net realisable value:		
Finished goods	9,888,303	38,411,929
Raw materials	34,056,805	67,385,051
	43,945,108	105,796,980
	134,083,590	154,312,172

	Group 2021 RM	Group 2020 RM
Recognised in profit or loss:		
Inventories recognised as cost of sales	1,485,443,104	1,586,102,475

17. Biological assets

	Group 2021 RM	Group 2020 RM
Cost		
At 1 April 2020/2019	13,898,071	9,517,941
Net gain from fair value adjustments recognised in profit or loss	7,848,400	4,380,130
At 31 March	21,746,471	13,898,071

The biological assets of the Group represent oil palm fruits of 30 days prior to harvesting. The quantity of the fruits included in the valuation of the Group are 30,478 (2020: 33,086) metric tonnes. The expected net cash flows are estimated using the expected output (fruits harvested) and market price at reporting date of crude palm oil and palm kernel adjusted for extraction rates less transportation costs.

The fair value of biological assets corresponds with Level 3 of the fair value hierarchy. There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the financial year.

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17. Biological assets (continued)

Sensitivity analysis of oil palm fruits

The sensitivity analysis below indicates the approximate change in the fair value of oil palm fruits and profit for the financial year that would arise if the following key estimates and assumptions adopted in the valuation model had changed at the reporting date, assuming all other estimates, assumptions and other variables remained constant.

	Increase/ (Decrease) in price and volume	2021 RM	2020 RM
Selling price	10%	2,225,354	1,443,882
	(10%)	(2,225,354)	(1,443,882)
Production volume	10%	2,175,018	1,389,961
	(10%)	(2,175,018)	(1,389,961)

18. Trade and other receivables

	Group 2021 RM	2020 RM
Trade receivables		
Third parties	80,784,579	97,205,636
Related parties	1,499,408	555,679
	82,283,987	97,761,315
Other receivables		
Third parties	1,677,514	2,027,158
Related parties	-	926,423
Deposits	2,531,293	443,722
	4,208,807	3,397,303
Total trade and other receivables	86,492,794	101,158,618

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18. Trade and other receivables (continued)

	Company	
	2021	**2020**
	RM	**RM**
Other receivables		
Subsidiaries	2,140,975	62,889,734
Deposits	101,693	90,575
	2,242,668	62,980,309

(a) Trade receivables are non-interest bearing and are generally on 2 to 90 days (2020: 2 to 90 days) terms.

(b) The amounts due from subsidiaries are unsecured and have no fixed terms of repayment. These amounts earn interest at 3.59% to 4.90% (2020: 4.34% to 5.44%) per annum.

19. Short-term deposits with licensed banks

Short-term deposits with licensed banks are made for a period of one (1) month to three (3) months (2020: one (1) month to three (3) months) depending on the immediate cash requirements of the Group and of the Company, and earn interest at the respective short-term deposit rates. The weighted average effective interest rates for short-term deposits as at 31 March 2021 for the Group was 1.88% (2020: 2.90%).

20. Share capital

	Group and Company			
	2021	**2020**	**2021**	**2020**
	Number of Shares		**RM**	**RM**
Ordinary Shares				
Issued and fully paid:	93,500,000	93,500,000	173,180,555	173,180,555

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one (1) vote per share without restriction and rank equally with regards to the Company's residual interests.

21. Retained earnings

Under the single tier system introduced by the Finance Act 2007 in Malaysia which came into effect from the year of assessment 2008, dividends paid under this system are tax exempt in the hands of shareholders. As such, the whole retained earnings can be distributed to shareholders as tax exempt dividends.

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22. Borrowings

	Note	Group 2021 RM	Group 2020 RM
Non-current			
Secured			
Term loans	(a)	104,510,364	115,352,726
Current			
Non-secured			
Revolving credits	(b)	25,000,000	25,000,000
Secured			
Bank overdrafts	(c)	-	2,780,132
Bankers' acceptances	(d)	170,293,000	92,610,000
Onshore foreign currency loans	(e)	-	28,792,939
Revolving credits	(b)	64,000,000	85,000,000
Term loans	(a)	20,000,636	12,485,496
		279,293,636	246,668,567
		383,804,000	362,021,293

	Note	Company 2021 RM	Company 2020 RM
Current			
Non-secured			
Revolving credits	(b)	25,000,000	25,000,000

(a) Term loans (secured)

The maturity structure of the term loan is as follows:

	Group 2021 RM	Group 2020 RM
Repayable within one (1) year	20,000,636	12,485,496
Repayable between two (2) to five (5) years	104,510,364	110,954,363
Repayable more than five (5) years	-	4,398,363
	124,511,000	127,838,222

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22. Borrowings (continued)

(a) Term loans (secured)

The term loans of the Group bear interest rates ranging from 3.51% to 5.07% (2020: 4.45% to 5.46%) per annum. The term loans of the Group are secured by way of:

(i) First fixed legal charge over the subsidiaries of the Company's certain leasehold land as disclosed in Note 12 to the financial statements; and
(ii) Corporate guarantee by the Company.

(b) Revolving credits

The revolving credits of the Group and of the Company bear interest rates ranging from 3.00% to 4.90% (2020: 3.86% to 5.65%) per annum and 3.19% to 3.98% (2020: 4.22% to 4.75%) per annum respectively. The revolving credits of the Group are secured by way of:

(i) First fixed legal charge over the subsidiaries of the Company's certain leasehold land as disclosed in Note 12 to the financial statements;
(ii) Corporate guarantee by the Company.; and
(iii) Letter of negative pledge of certain assets from the subsidiaries of the Company.

(c) Bank overdrafts (secured)

The bank overdrafts of the Group are secured by Corporate guarantee from the Company.

The bank overdrafts have effective interest rate ranging from 6.40% to 7.39% (2020: 6.82% to 8.14%) per annum.

(d) Bankers' acceptances (secured)

The bankers' acceptances of the Group are secured by Corporate guarantee by the Company.

The banker acceptances bear interest rates ranging from 2.14% to 3.20% (2020: 2.85% to 4.00%) per annum.

(e) Onshore foreign currency loans

The onshore foreign currency loans bear interest rates ranging from 1.80% to 1.95% (2020: 2.05% to 3.49%) per annum.

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23. Lease liabilities

Group	**2021**	**2020**
Representing:	**RM**	**RM**
Current liabilities	785,352	396,731
Non-current liabilities	824,202	581,522
	1,609,554	978,253

Recognised in profit or loss:		
Interest expense on lease liabilities	96,407	46,512

Company	**2021**	**2020**
Representing:	**RM**	**RM**
Current liabilities	329,239	52,535
Non-current liabilities	407,901	-
	737,140	52,535

Recognised in profit or loss:		
Interest expense on lease liabilities	41,427	9,637

The total cash outflow for leases for the financial year ended 31 March 2021 of the Group and of the Company are RM849,311 and RM353,961 (2020: RM797,222 and RM316,897) respectively.

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24. Trade and other payables

	Group 2021 RM	Group 2020 RM
Trade payables		
Third parties	64,010,369	66,551,581
Related parties	33,506,250	48,821,686
	97,516,619	115,373,267
Other payables		
Third parties	1,640,853	6,744,177
Related parties	163,948	216,463
Accrued operating expenses	18,692,286	3,784,969
Other deposits	433,309	599,911
	20,930,396	11,345,520
	118,447,015	126,718,787

	Company 2021 RM	Company 2020 RM
Other payables		
Third parties	12,021	3,274
Related parties	4,509	5,365
Accrued operating expenses	262,739	171,773
	279,269	180,412

(a) Trade payables

Trade payables are non-interest bearing and are generally on 90 days (2020: 90 days) terms.

(b) Other payables

The amount due to third parties and related parties are unsecured, non-interest bearing and are repayable on demand.

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25. Derivatives

	Group 2021 Contract/ Notional amount RM	Assets RM	Liabilities RM
Non-hedging derivatives			
Forward currency contracts	378,250,772	-	3,783,267

	2020 Contract/ Notional amount RM	Assets RM	Liabilities RM
Non-hedging derivatives			
Forward currency contracts	195,957,496	-	4,604,313

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward currency contracts are used to hedge the Group's sales denominated in United States Dollars ("USD") for which firm commitments existed at the reporting date.

During the financial year, the Group recognised a gain of RM821,046 (2020: loss of RM4,438,029) arising from fair value changes of derivative liabilities. The fair value changes are attributable to changes in foreign exchange spot and forward rates. The methods and assumptions applied in determining the fair values of derivatives are disclosed in Note 29 to the financial statements.

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26. Related party transactions

Identities of related parties

Parties are considered to be related to the Group, if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Group include:

(i) Direct and indirect subsidiaries as disclosed in Note 14 to the financial statements;
(ii) Key management personnel, which comprises persons (including the Directors of the Group) having authority and responsibility for planning, deciding and controlling the activities of the Group directly or indirectly; and
(iii) Entities in which certain Directors, who are also the substantial shareholders of the parent, have substantial shareholding interests.

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are shown below:

	Company	
	2021 RM	2020 RM
(a) Transactions with subsidiaries:		
Income		
Interest income	1,181,756	4,995,570
Dividend income	1,291,000	-
Management fee income	950,250	936,200

(b) Transactions with companies in which certain Directors of the Company and/or persons connected to them have a substantial financial interest and/or are Directors:

	Group	
	2021 RM	2020 RM
Income		
Rental income	7,567	106,559
Sale of goods	1,954,420	1,247,716

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26. Related party transactions (continued)

(b) Transactions with companies in which certain Directors of the Company and/or persons connected to them have a substantial financial interest and/or are Directors:

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Expenditure				
Administrative expenses paid	130,502	27,509	3,514	797
Advertisement expenses paid	13,107	32,030	5,088	22,603
Contract services for development and maintenance	9,080,463	24,267,349	-	-
Insurance brokerage paid	2,993,596	4,083,488	20,465	25,019
IT infrastructure and software expenses paid	447,294	495,720	-	-
Printing charges paid	174,647	254,352	3,900	2,800
Maintenance services paid	93,889	83,091	36,130	32,899
Professional fees paid	549,727	760,433	-	33,948
Purchase of crude palm oil and palm kernel	306,699,120	305,006,515	-	-
Purchase of fresh fruit bunches	28,867,751	18,145,037	-	-
Purchase of property, plant and machinery and consumables	81,022,464	93,137,835	17,843	51,557
Rental of premises paid	1,435,979	1,327,151	429,080	392,530
Rental of storage tanks	1,674,400	1,545,600	-	-
Transportation charges paid	14,331,767	15,434,704	-	-

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26. Related party transactions (continued)

(c) Compensation of key management personnel

Key management personnel comprise executive and non-executive Directors and managers of the Group and of the Company who have authority and responsibility for planning, directing, and controlling the activities of the Group and of the Company, directly or indirectly.

The remuneration of key management personnel during the financial year were as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Short-term employee benefits	4,349,059	1,374,823	289,196	283,931
Defined contribution plans	66,563	59,623	2,400	2,408
Total Directors' remuneration	4,415,622	1,434,446	291,596	286,339

The Directors are of the opinion that the transactions above have been entered into in the normal course of business and have been established on terms and conditions mutually agreed between the relevant parties.

27. Commitment

Capital commitments

	Group	
	2021 RM	2020 RM
Approved and contracted for:		
- Property, plant and equipment	11,703,810	3,961,270
Approved and not contracted for:		
- Property, plant and equipment	59,803,564	45,684,542

28. Financial guarantee

	Company	
	2021 RM	2020 RM
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	345,804,000	94,486,060

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29. Financial instruments

Categories of financial instruments

The table below provides an analysis of the categories of financial instruments categorised as follows:

(a) Fair value through profit or loss ("FVTPL"); and
(b) Financial assets and liabilities measured at amortised cost ("AC").

	Carrying amount RM	AC RM
Group		
2021		
Financial assets		
Trade receivables	82,283,987	82,283,987
Other receivables and deposits	4,208,807	4,208,807
Short-term deposits with licensed banks	5,000,000	5,000,000
Cash and bank balances	265,550,349	265,550,349
	357,043,143	357,043,143

	Carrying amount RM	FVTPL RM	AC RM
Financial liabilities			
Trade and non-trade payables	(118,447,015)	-	(118,447,015)
Borrowings	(383,804,000)	-	(383,804,000)
Lease liabilities	(1,609,554)	-	(1,609,554)
Derivative financial instruments	(3,783,267)	(3,783,267)	-
	(507,643,836)	(3,783,267)	(503,860,569)

	Carrying amount RM	AC RM
2020		
Financial assets		
Trade receivables	97,761,315	97,761,315
Other receivables and deposits	3,397,303	3,397,303
Short-term deposits with licensed banks	25,000,000	25,000,000
Cash and bank balances	119,004,682	119,004,682
	245,163,300	245,163,300

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29. Financial instruments (continued)

Categories of financial instruments (continued)

	Carrying amount RM	FVTPL RM	AC RM
Financial liabilities			
Trade and non-trade payables	(126,718,787)	-	(126,718,787)
Borrowings	(362,021,293)	-	(362,021,293)
Lease liabilities	(978,253)	-	(978,253)
Derivative financial instruments	(4,604,313)	(4,604,313)	-
	(494,322,646)	(4,604,313)	(489,718,333)

Company	Carrying amount RM	AC RM
2021		
Financial assets		
Investment in preference shares	48,688,000	48,688,000
Other receivables and deposits	101,693	101,693
Amount due from subsidiaries	2,140,975	2,140,975
Cash and bank balances	37,493,000	37,493,000
	88,423,668	88,423,668
Financial liabilities		
Borrowings	(25,000,000)	(25,000,000)
Lease liabilities	(737,140)	(737,140)
Other payables and accruals	(279,269)	(279,269)
	(26,016,409)	(26,016,409)
2020		
Financial assets		
Other receivables and deposits	90,575	90,575
Amount due from subsidiaries	62,889,734	62,889,734
Short-term deposits with licensed banks	25,000,000	25,000,000
Cash and bank balances	173,107	173,107
	88,153,416	88,153,416
Financial liabilities		
Borrowings	(25,000,000)	(25,000,000)
Lease liabilities	(52,535)	(52,535)
Other payables and accruals	(180,412)	(180,412)
	(25,232,947)	(25,232,947)

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29. Financial instruments (continued)

Net gains and losses arising from financial instruments

	Group		Company	
	2021	**2020**	**2021**	**2020**
	RM	**RM**	**RM**	**RM**
Net gains/(losses) arising from:				
Financial assets at amortised cost				
Interest income	2,853,754	3,799,181	1,262,077	5,057,306
Fair value through profit or loss				
Unrealised gain on foreign exchange	2,137,367	1,146,015	-	-
Net fair value gain/(loss) on derivative	821,046	(4,438,029)	-	-
Financial liabilities measured at amortised cost				
Interest on lease liabilities	(96,407)	(46,512)	(41,427)	(9,637)
Finance costs	(7,929,955)	(10,208,695)	(203,979)	(343,589)

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29. Financial instruments (continued)

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk, and liquidity risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing its credit risk, interest rate risk, and liquidity risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from the individual characteristics of each customer.

Trade receivables

At each reporting date, the Group and the Company assess whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay amounts subject to the write-off. Nevertheless, trade receivables and contract asset that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous period.

Credit risk concentration profile

The Group and the Company have no significant concentration of credit risk that may arise from exposure to a single customer or to a group of customers.

Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting year.

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29. Financial instruments (continued)

Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss

The Group uses a provision matrix to measure ECLs of trade receivables and contract assets.

Loss rates are based on actual credit loss experience over the past three (3) years. The Company also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Company's view of economic conditions over the expected lives of the receivables. Nevertheless, the Company believes that these factors are immaterial for the purpose of impairment calculation for the financial period.

Ageing analysis

The ageing analysis of the Group's trade receivables, as at reporting date is as follows:

	Gross carrying amount RM	Loss allowance RM	Carrying amount RM
Group			
2021			
Not past due	80,631,347	-	80,631,347
Past due:			
- 1 - 30 days	913,836	-	913,836
- 31 - 120 days	738,804	-	738,804
	82,283,987	-	82,283,987
2020			
Not past due	97,750,617	-	97,750,617
Past due:			
- 1 - 30 days	5,140	-	5,140
- 31 - 120 days	5,558	-	5,558
	97,761,315	-	97,761,315

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29. Financial instruments (continued)

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

Deposits

Credit risks on deposits are mainly arising from deposits paid for office buildings rented. These deposits will be refunded at the end of each lease terms. The Company manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

Interest rate risk

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

	2021 Increase/ (Decrease) RM	2020 Increase/ (Decrease) RM
Effect on profit after taxation		
Group		
Increase of 25 basis points ("bp")	(729,000)	(690,000)
Decrease of 25 bp	729,000	690,000
Company		
Increase of 25 bp	47,500	48,000
Decrease of 25 bp	(47,500)	(48,000)

Liquidity risk

The Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

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29. Financial instruments (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at reporting date based on undiscounted contractual payments:

	Carrying amount RM	Total contractual cash flows RM	Within one (1) year RM	One (1) to five (5) years RM	Over five (5) years RM
Group					
2021					
Trade and other payables	118,447,015	118,447,015	118,447,015	-	-
Lease liabilities	1,609,554	1,725,830	704,719	1,021,111	-
Borrowings	383,804,000	394,647,757	283,465,114	111,182,613	-
	503,860,569	514,820,602	402,616,848	112,203,724	-
2020					
Trade and other payables	126,718,787	126,718,787	126,718,787	-	-
Lease liabilities	978,253	1,065,139	434,234	630,905	-
Borrowings	362,021,293	379,063,879	251,463,994	123,037,270	4,562,615
	489,718,333	506,847,805	378,617,015	123,668,175	4,562,615

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29. Financial instruments (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at reporting date based on undiscounted contractual payments: (continued)

	Carrying amount RM	Total contractual cash flows RM	Within one (1) year RM	One (1) to five (5) years RM
Company				
2021				
Other payables	279,269	279,269	279,269	-
Lease liabilities	737,140	782,977	361,374	421,603
Borrowings	25,000,000	25,029,715	25,029,715	-
	26,016,409	26,091,961	25,670,358	421,603
2020				
Other payables	180,412	180,412	180,412	-
Lease liabilities	52,535	52,816	52,816	-
Borrowings	25,000,000	25,084,507	25,084,507	-
	25,232,947	25,317,735	25,317,735	-

Financial guarantees

The fair value of financial guarantees provided by the Company to banks in respect of bank facilities granted to a subsidiary with nominal amount of RM345,804,000 (2020: RM94,486,060), as disclosed in Note 22 to the financial statements, are negligible because the actual interest charged by the banks are not materially different from the borrowing costs of the subsidiary and the outstanding borrowings are adequately secured by the Company.

Fair values

The financial assets and financial liabilities maturing within the next 12 months approximated fair values due to the relatively short-term maturity of the financial instruments.

The carrying amount of term loans is reasonable approximation of fair values due to they are floating rate instruments that are re-priced to market interest rates on or near the reporting date as the impact of discounting is immaterial.

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29. Financial instruments (continued)

Fair values (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2021				
Financial liability				
Borrowings:				
Term loans	-	-	124,511,000	124,511,000
Derivative financial instruments	-	3,783,267	-	3,783,267
	-	3,783,267	124,511,000	128,294,267
2020				
Financial liability				
Borrowings:				
Term loans	-	-	127,838,222	127,838,222
Derivative financial instruments	-	4,604,313	-	4,604,313
	-	4,604,313	127,838,222	132,442,535

30. Material litigation

Litigation with Ketua Pengarah Hasil Dalam Negeri (KPHDN)

On 23 December 2016, the Company filed an application to the High Court to seek leave to commence Judicial Review against the KPHDN to quash its decision to reject BLD's claim for Reinvestment Allowance ("RA") in the sum of RM10,727,489 in respect of Year of Assessment 2011 and RM11,615,124 in respect of Year of Assessment 2012 and also quash its decision to impose additional tax and penalty of RM5,765,341.74 (YA2011) and RM1,630,824.06 (YA2012) as a result of rejecting BLD's claim for RA.

On 21 June 2017, the High Court dismissed BLD's application with the cost of RM3,000 to the KPHDN. On 19 July 2017, BLD filed a notice of appeal to the Court of Appeal against the said decision of the High Court. On 14 April 2018, the Court of Appeal dismissed BLD's appeal with cost of RM10,000 to the KPHDN. On 8 May 2018, BLD filed a motion in the Federal Court to seek leave to appeal against the said decision of the Court of Appeal.

On 24 September 2019, the Federal Court allowed BLD's motion and granted them leave to appeal to the Federal Court. On 26 September 2019, BLD filed their Notice of Appeal to appeal to the Federal Court. BLD's appeal is fixed for hearing on 26 August 2020 before the Federal Court panel at Putrajaya.

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30. Material litigation (continued)

Litigation with Ketua Pengarah Hasil Dalam Negeri (KPHDN) (continued)

On 26 August 2020, the appeal was dismissed with cost of RM50,000 awarded to the Respondent. On 15 June 2021, BLD filed their necessary cause papers in SCIT and is fixed for hearing on 24 August 2021.

On 24 August 2021, the learned SCIT Judge directed for the appeals to proceed and fixed hearing on 14.06.2022, 15.06.2022 and 16.06.2022 at Putrajaya.

The Directors are of the view that there is no material impact to the financial statements of the Group and of the Company.

31. Operating segments

Operating segments are presented in respect of the Group's business and geographical segments. The primary format, business segment, is based on the Group's management and internal reporting structure. Inter-segment transactions were carried out on terms and conditions not materially different from those obtainable in transactions with independent third parties.

The cultivation of oil palm, processing of fresh fruit bunches, operation of palm oil refinery and kernel crushing plant and stone quarry operation are being managed by few different segments within the Group. These operating segments are aggregated to form a reportable segment due to the similar nature and economic characteristics of the products.

(a) Geographical segments

The revenue segment analysis by geographical areas of customers is as follows:

		2021 %	2020 %
(i)	Bangladesh	11	8
(ii)	China	30	29
(iii)	Countries of Africa	6	4
(iv)	India	25	38
(v)	Korea	13	9
(vi)	Malaysia	14	10
(vii)	Other countries	1	2
		100	100

(b) Major customers

There are two customers who account for about 97% (2020: 95%) of the Group's turnover.

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32. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2021 and 31 March 2020.

The debt to equity ratio of the Group as at the end of the reporting period was as follows:

	Group	
	2021	**2020**
	RM	**RM**
Total debts	385,413,554	362,021,293
Equity attributable to owners of the Group	633,485,640	568,201,071
Debt to equity ratio (times)	0.61	0.64

Under the requirement of Bursa Malaysia Practice Note 17, the Group is required to maintain a consolidated shareholder's equity equal to or not less than the 25% of the issued and paid up capital (excluding treasury shares). The Group has complied with this requirement.

33. Significant event during the financial year

The Directors of the Group and of the Company are of the opinion that the outbreak of the COVID-19 may affect the business performance and position of the Group and of the Company mainly due to travel and movement restriction and other precautionary measures imposed by relevant local authorities that resulted in delays in commencement of work and delivery of products to customers. Meanwhile, due to inherent nature and unpredictability of future development of the virus and market sentiment, the extent of the impact depends on (i) ongoing precautionary measures introduced by each country to address this pandemic and (ii) the durations of the pandemic. Accordingly, the financial impact of the COVID-19 outbreak to the Group and the Company cannot be reasonably estimated as at this juncture. The Directors will continue to monitor the situations and respond proactively to mitigate the impact on the Group and the Company's financial performance and financial position.

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NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2021

34. General information

The Company is a public limited company that is incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company is principally engaged in investment holding and provision of management services while the principal activities of the Group are the operations of a palm oil refinery and kernel crushing plant, cultivation of oil palm, processing of fresh fruit bunches, sales of related products and letting of property.

The principal activities of the subsidiaries are as set out in Note 14 to the financial statements.

There has been no significant change in the nature of these activities of the Group and of the Company during the financial year.

The registered office and the principal place of business of the Company are located at Level 6, Crown Towers, 88 Jalan Pending, 93450 Kuching, Sarawak, Malaysia.

The financial statements were approved and authorised for issue by the Board of Directors on 30 August 2021.

ANALYSIS OF SHAREHOLDINGS AS AT 2 AUGUST 2021

Authorised Share Capital : RM500,000,000.00
Paid-up Share Capital : RM93,500,000.00

Class of Shares : Ordinary Shares
Voting Rights : One vote per ordinary share

DISTRIBUTION OF HOLDINGS

Size of Holdings	No. of Holders	No. of Holdings	% of Holdings
1 – 99	27	481	0.00
100 – 1,000	565	181,735	0.19
1,001 – 10,000	219	933,826	1.00
10,001 – 100,000	81	2,865,450	3.06
100,001 – 4,674,999*	33	40,968,708	43.82
4,675,000 and above**	3	48,549,800	51.92

Remark : * less than 5% of issued holdings
** 5% and above of issued holdings

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
BLD Holdings Sdn. Bhd.	33,412,330	35.74	-	-
Syarikat Payang Sdn. Bhd.	15,137,470	16.19	-	-
K.T.S. Holdings Sdn. Bhd.	10,496	0.01	33,412,330	35.74
Syarikat Maslahat Sdn. Bhd.	-	-	15,137,470	16.19
Dato Henry Lau Lee Kong	-	-	37,269,576	39.86
Haji Wan Abdillah bin Wan Hamid	104,821	0.11	16,398,807	17.54
YB Robert Lau Hui Yew	100,000	0.11	34,108,634	36.48
Lau Swee Nguong @ Lau Sui Guang	100,000	0.11	34,108,634	36.48
Haji Wan Mohd. Shebli bin Wan Hamid	-	-	16,398,807	17.54
Temenggong Dato Lau Lee Ming	10,000	0.01	35,923,529	38.42
Lau Lee Kiong	-	-	35,933,529	38.43
Law Kiu Kiong	3,182,800	3.40	2,852,000	3.05

DIRECTORS' INTEREST

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Dato Henry Lau Lee Kong	-	-	37,269,576	39.86
Haji Wan Abdillah bin Wan Hamid	104,821	0.11	16,398,807	17.54
Datu Haji Sarudu bin Haji Hoklai	-	-	-	-
Datuk Haji Hamden bin Haji Ahmad	-	-	-	-
YB Robert Lau Hui Yew	100,000	0.11	34,108,634	36.48

ANALYSIS OF SHAREHOLDINGS AS AT 2 AUGUST 2021 *(CONTD.)*

TOP 30 SECURITIES ACCOUNT HOLDERS

NO.	NAME	NO. OF SHARES	%
1.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BLD HOLDINGS SDN BHD (01103812233A)	22,000,000	23.53
2.	SYARIKAT PAYANG SDN BHD	15,137,470	16.19
3.	BLD HOLDINGS SDN. BHD.	11,412,330	12.21
4.	AZIM DAYA SDN. BHD.	4,633,300	4.96
5.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK OF SINGAPORE LIMITED (FOREIGN)	4,501,500	4.81
6.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CRYSTAL FLOW SDN BHD	3,671,100	3.93
7.	MANYEW RESOURCES SDN. BHD.	3,543,600	3.79
8.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AEROCAN SDN BHD	2,879,000	3.08
9.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW KIONG HOLDINGS SDN. BHD.	2,852,000	3.05
10.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAX MAJESTIC SDN BHD	2,845,200	3.04
11.	COMMERCIAL AGENCIES SDN BHD	2,202,182	2.36
12.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW KIU KIONG	2,117,800	2.27
13.	PERBADANAN KEMAJUAN PERUSAHAAN KAYU SARAWAK	2,000,000	2.14
14.	TERAS INTERGRASI SDN BHD	1,346,047	1.44
15.	HAMIMAS ENTERPRISE SDN. BHD.	1,261,337	1.35

ANALYSIS OF SHAREHOLDINGS AS AT 2 AUGUST 2021 *(CONTD.)*

NO.	NAME	NO. OF SHARES	%
16.	FORWARD CONCEPT SDN BHD	1,071,400	1.15
17.	LAW KIU KIONG	700,000	0.75
18.	VASTY DEVELOPMENT SDN BHD	585,808	0.63
19.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW CHENG KING ENTERPRISE SDN BHD (E-JCL)	547,904	0.59
20.	LAU HIENG ING ENTERPRISE SDN BHD	412,235	0.44
21.	AMSEC NOMINEES (TEMPATAN) SDN BHD DOLLARSPLUS SENDIRIAN BERHAD	350,908	0.38
22.	LAU SIE HUI	344,086	0.37
23.	GANNETS SDN BHD	336,798	0.36
24.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW KIU KIONG (6000710)	300,000	0.32
25.	COMMERCIAL AGENCIES SDN BHD	298,521	0.32
26.	FAIRCOM ENTERPRISE SDN. BHD.	292,904	0.31
27.	KIU CHUAN GUNG	291,415	0.31
28.	MAKONG INVESTMENT LIMITED	287,000	0.31
29.	MICHAEL WEE KHENG KIONG	245,269	0.26
30.	LAU LEE HUONG	217,635	0.23

LIST OF LANDS AS AT 31 MARCH 2021

Description and Location

Location	Approximate Land Value (Hectare)	Current Use	Tenure	Approximate Age of Buildings	Net Book value (RM'000)	Date of Acquisition
Teraja Land District, Miri	6,733	Oil Palm Estate	Leasehold Expiring in 2060	1 to 20	29,647	2004
Lambir Land District, Miri	3,452	Oil Palm Estate	Leasehold Expiring in 2060	1 to 20	16,259	2004
Kemena Land District, Bintulu	12.453	Refinery / Kernel Crushing Plant	Leasehold Expiring in 2056	14	9,836	2005-2018
Kabang and Lassa Land District, Sibu	20,387	Oil Palm Estate	Leasehold Expiring in 2060	1 to 16	8,658	2000
Sawai Land District, Miri	16,818	Oil Palm Estate / Palm Oil Mill	Leasehold Expiring in 2047-2072	1 to 32	5,144	1987-2012
Miri Concession Land District, Miri	717.9 sq. meters	Investment Holding	Leasehold Expiring in 2052	20	2,190	2009
Jelalong Land District, Bintulu	3,913	Oil Palm Estate	Leasehold Expiring in 2057	1 to 20	1,929	1997

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